

Mr. DALZELL. Mr. Speaker, a parliamentary inquiry. Was not this same resolution reported from the Committee on Ways and Means and laid upon the table?

Mr. RANDELL of Texas. Mr. Speaker, I claim the floor.

The SPEAKER. Well, the gentleman can not have the floor until the point of order is disposed of.

Mr. RANDELL of Texas. Mr. Speaker—

The SPEAKER. The Chair is ready to rule. It has been frequently held that a preamble to a resolution of inquiry that makes an alleged statement of fact destroys the privilege, although the balance of the resolution might be privileged. That has been frequently held by many Speakers and was ruled by the present Speaker at the last session of Congress on a resolution presented by the gentleman from New York [Mr. Cockran]. Clearly this is not privileged, and the Chair sustains the point of order.

Mr. RANDELL of Texas. Mr. Speaker, may I be heard?

The SPEAKER. After all, it is in the discretion of the Chair, and it is so well established by repeated decisions from various Speakers, including the present Speaker, that at the hour of ten minutes past 12 o'clock the Chair does not desire to hear anything touching the point of order.

Mr. PAYNE. Mr. Speaker, I move that the House do now take a recess until 9.30 o'clock this morning.

Mr. RANDELL of Texas. Mr. Speaker, I respectfully appeal from the decision of the Chair.

The SPEAKER. Pending the appeal, the Chair entertains the privileged motion, namely, that the House do now take a recess until to-day at 9.30 o'clock.

The motion was agreed to.

Accordingly (at 12 o'clock and 12 minutes a. m., Monday, March 4, 1907) the House took a recess until 9.30 o'clock a. m.

EXECUTIVE COMMUNICATIONS.

Under clause 2 of Rule XXIV, the following executive communications were taken from the Speaker's table and referred as follows:

A letter from the chief justice of the Court of Claims, requesting the return to the court of the papers submitting to Congress the findings in the case of Irving McCoy against the United States—to the Committee on War Claims, and ordered to be printed.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS INTRODUCED.

Under clause 3 of Rule XXII, bill and memorials of the following titles were introduced and severally referred as follows:

By Mr. BRICK: A bill (H. R. 25890) to amend the laws of the United States relating to the registration of trade-marks—to the Committee on Patents.

By Mr. GRONNA: Memorial from the legislature of North Dakota, praying Congress to pass a law giving to each respective State of the Union the right to ditch into, alter, modify, or destroy, if need be, part or the whole of any meandered lakes or navigable streams—to the Committee on the Judiciary.

Also, memorial from the legislature of North Dakota, recommending a constitutional amendment to prohibit polygamy and to secure uniform divorce laws—to the Committee on the Judiciary.

By the SPEAKER: Memorial from the legislature of North Dakota, recommending a constitutional amendment to prohibit polygamy and to secure uniform divorce laws—to the Committee on the Judiciary.

PRIVATE BILLS AND RESOLUTIONS INTRODUCED.

Under clause 1 of Rule XXII, private bills of the following titles were introduced and severally referred as follows:

By Mr. WILLIAMS: A bill (H. R. 25888) for the relief of Samuel Phillips—to the Committee on Military Affairs.

By Mr. CLAYTON: A bill (H. R. 25891) to relieve George W. Black and J. R. Wilson from a certain judgment in favor of the United States, and to relieve George W. Black, J. R. Wilson, and W. M. Newell of a certain judgment in favor of the United States—to the Committee on the Judiciary.

CHANGE OF REFERENCE.

Under clause 2 of Rule XXII, committee was discharged from the consideration of bill of the following title; which was thereupon referred as follows:

A bill (H. R. 25487) for the relief of Andrew B. Baird and James S. Baird, and to confirm all sales and dispositions heretofore made by the United States out of the confiscated land

of the late Spruce M. Baird, their father, known as Baird's ranch, in the Territory of New Mexico—Committee on War Claims discharged, and referred to the Committee on the Public Lands.

PETITIONS, ETC.

Under clause 1 of Rule XXII, the following petitions and papers were laid on the Clerk's desk and referred as follows:

By Mr. FOSTER of Vermont: Petition of Rev. A. C. Brown and others, of Essex, Vt., for passage of the Littlefield bill—to the Committee on the Judiciary.

Also, petition of F. S. Yager and 2,000 other citizens of California, asking for modification of the Chinese-exclusion law—to the Committee on Foreign Affairs.

By Mr. HOWELL of Utah: Petition of citizens of the State of Utah, against certain features of the proposed new copyright law—to the Committee on Patents.

By Mr. NORRIS: Petition of Solon R. Town, M. D., Robert H. Wolcott, and other citizens of Nebraska, asking passage of bill S. 5888—to the Committee on Military Affairs.

By Mr. STEPHENS of Texas: Petition of farmers of Donley County, Tex., asking for legislation to suppress gambling in futures on farm products—to the Committee on the Judiciary.

SENATE.

MONDAY, March 4, 1907.

[Continuation of legislative day of Saturday, March 2, 1907.]

At the expiration of the recess (at 9.30 a. m., March 4) the Senate reassembled.

RECESS.

Mr. HALE. I move that the Senate take a recess until a quarter after 10 o'clock.

The motion was agreed to; and at the expiration of the recess (at 10.15 a. m.) the Senate reassembled.

INDIAN AND FREEDMEN ENROLLMENT CASES.

The VICE-PRESIDENT laid before the Senate a communication from the Secretary of the Interior, transmitting, in response to a resolution of the 28th ultimo, certain information relative to the number of Indian and freedmen enrollment cases pending before the Commissioner to the Five Civilized Tribes on February 25, 1907, and also in the office of the Commissioner of Indian Affairs on review, and before the Department of the Interior, etc.; which was referred to the Committee on Indian Affairs, and ordered to be printed.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by Mr. W. J. BROWNING, its Chief Clerk, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 25745) making appropriations for sundry civil expenses of the Government for the fiscal year ending June 30, 1908, and for other purposes.

ENROLLED BILLS SIGNED.

The message also announced that the Speaker of the House had signed the following enrolled bills and joint resolutions; and they were thereupon signed by the Vice-President:

H. R. 25672. An act to amend an act entitled "An act to authorize the Ox Bow Power Company, of South Dakota, to construct a dam across the Missouri River."

H. R. 25851. An act making appropriations to supply deficiencies in the appropriations for the fiscal year ending June 30, 1907, and for prior years, and for other purposes;

H. J. Res. 219. Joint resolution providing for an increase in the number of copies to be printed of the Annual Report of the Comptroller of the Currency;

H. J. Res. 229. Joint resolution to provide for the printing of 250,000 copies of the Special Report of the Diseases of Horses;

H. J. Res. 255. Joint resolution providing for the printing of 5,000 copies of House Document No. 651, Fifty-ninth Congress, second session;

H. J. Res. 256. Joint resolution authorizing the Attorney-General to print 850 copies of the Session Laws; and

H. J. Res. 257. Joint resolution authorizing the Secretary of the Treasury to print 1,000 additional copies of the Annual Report of the Director of the Mint.

PETITIONS AND MEMORIALS.

Mr. HANSBROUGH. I present a joint memorial of the legislature of North Dakota, which I ask may be printed in the Record and referred to the Committee on Agriculture and Forestry.

The memorial was referred to the Committee on Agriculture and Forestry, and ordered to be printed in the RECORD, as follows:

Memorial offered by Mr. Stade.

Whereas numerous "meandered lakes and navigable streams" located in North Dakota, by reason of higher altitudes or of obstructions made by silt or other materials, thus holding back the water, are made to overflow and annually flood and keep in a state of moisture many thousands of acres of swamp or semiswamp lands; and

Whereas by virtue of large spring freshets many of such lakes, streams, or rivers overflow and inundate vast areas of land; and

Whereas in order to drain such lands it becomes necessary to ditch into, alter, or destroy such lakes, streams, or rivers, by which means the water can be conducted away and thereby drain such named lakes, fitting them for tillage or agricultural use; and

Whereas by such method of drainage the wealth of the people of North Dakota can be increased millions of dollars, and the taxable property of the State can be equally multiplied; now

Therefore, the legislative assembly of the State of North Dakota hereby passes a joint memorial to the Congress of the United States of America, praying that body to pass a law giving to each respective State of the Union the right to ditch into, alter, modify, or destroy, if need be, part or the whole of any "meandered lakes or navigable streams," if the same shall be necessary to drain any swamp or semiswamp lands within their respective borders: *Provided*, Said drainage, alterations, or modifications of such lakes, streams, or rivers shall be done under the sanction of or in cooperation with national commissioners or agents who shall be appointed or detailed under law for such purposes: Therefore, be it

Resolved by the legislative assembly of North Dakota, That engrossed copies of the joint memorial be at once sent to the North Dakota Senators and Representatives in Congress, and they be instructed to draw up and introduce a bill in Congress that shall cover in a clear and comprehensive manner the different features or phases herein named of the question of drainage in the different States of the nation.

R. S. LEWIS,
President of the Senate.

JAMES W. FOLEY,
Secretary of the Senate.

TREADWELL TWICHELL,
Speaker of the House.

P. D. NORTON,
Chief Clerk of the House.

I, James W. Foley, secretary of the senate, do hereby certify that the foregoing memorial originated in and was adopted by the senate of the tenth legislative assembly of the State of North Dakota and was concurred in by the house of representatives.

JAMES W. FOLEY,
Secretary of the Senate.

Mr. HANSBROUGH. I present a concurrent resolution of the legislature of the State of North Dakota, which I request may be read at the desk and referred to the Committee on the Judiciary. It is short.

Mr. GALLINGER. I call attention to the fact that my motion to concur in the amendment made by the House of Representatives to the shipping bill is in order.

The VICE-PRESIDENT. That is the pending question.

Mr. GALLINGER. I will ask that the motion be put after the memorial has been read.

The concurrent resolution was read, and referred to the Committee on the Judiciary, as follows:

Concurrent resolution offered by Mr. Buttz.—Memorial to Congress for constitutional amendment.

Whereas the recent investigation made by the Senate of the United States as to the qualifications of one of its members has developed the fact that polygamy exists in several of the States, notwithstanding the laws that exist in said States prohibiting the same; and

Whereas the practice of polygamy is condemned by the law-abiding people of the United States, and there is a sentiment prevailing throughout the country for a more effectual remedy to eradicate the evil complained of by giving the Federal courts jurisdiction over and control of that question as well as that of divorces, at the same time reserving to each State the right to enforce its own laws relating to marriage: Therefore, be it

Resolved by the house of representatives of North Dakota (the senate concurring), That the Congress of the United States is hereby petitioned to take the necessary steps to provide for a constitutional amendment, to be submitted to the several States, whereby polygamy and polygamous cohabitation shall be prohibited by giving the Federal courts jurisdiction to enforce any and all acts of the United States Congress upon the subject of polygamy and polygamous practices, as well as upon uniform divorce laws throughout the several States: Be it

Further resolved, That the Secretary of State be, and he hereby is, directed to transmit copies of this memorial to the Senate and House of Representatives of the United States, and to the members of said bodies representing this State therein; also to transmit copies hereof to the legislature of all other States of the United States.

TREADWELL TWICHELL,
Speaker of the House.

P. D. NORTON,
Chief Clerk of the House.

R. S. LEWIS,
President of the Senate.

JAMES W. FOLEY,
Secretary of the Senate.

I, P. D. Norton, chief clerk of the house, do hereby certify that the foregoing concurrent resolution originated in and was adopted by the house of representatives of the tenth legislative assembly of the State of North Dakota and was concurred in by the senate.

P. D. NORTON,
Chief Clerk of the House.

BISMARCK, N. DAK., February 26, 1907.

Mr. WARREN presented a petition of sundry ranchmen in the State of Wyoming, praying for the enactment of legislation

providing that actual settlers may lease the Government land contiguous to their patented lands; which was referred to the Committee on Agriculture and Forestry.

Mr. DICK. I present sundry telegrams from telegraph operators in the State of Ohio, relative to the sixteen-hour bill; which I ask may lie on the table and be printed in the RECORD.

The VICE-PRESIDENT. Without objection, it is so ordered.

The telegrams were ordered to lie on the table, as follows:

From A. J. Zint, of Wapakoneta; W. J. Kroger and J. R. Howser, of Troy; W. V. Van Meter, of Cridersville; B. S. Bowman, of Payne; H. E. Fling, of Payne; C. C. Hamlin, of Rudolph; L. T. Agnew, of Oakwood; T. W. Sullivan, of Arma; J. E. Cross, J. W. Shuster, and O. C. Knight, of Peebles; Edward Gaudern and C. W. Newcomer, of Bryan Depot; Herbert H. Brickett, of Newton; S. E. Klein, H. B. Workman, H. J. Gerlach, J. R. Baxter, and C. E. Lemon, of Circleville; F. P. Reynolds and W. R. Ruckles, of Van Wert; A. J. Tilden and A. H. Bensman, of Columbus Grove; J. E. O'Hara, of West Toledo; A. J. Ebertine, of West Toledo; H. W. Clark, of West Toledo; R. R. Kibler, O. G. Harper, B. E. Baughn, P. W. Heaton, and E. Crassley, of Greenfield; A. A. Delf, of Mansfield; L. C. Ramsey; James Shine, of Sidney; F. E. Marker; S. Cashner, of Wapakoneta; C. D. Blankenbaker, of Wapakoneta; W. V. Saltzman and C. J. Fenstermaker, of Phalanx; C. V. Yezzell, of Cincinnati; H. H. Hess, of Sidney; J. F. Justice; Carter, Moyer, Babcock, Klinite, Fenstermaker, Holbrook, Taylor, and Lowrie, of Leavittsburg; G. D. Wilson, of Willoughby; S. W. Usher, of Willoughby; from C. H. McCoy, Rose, Vanhorn, Baumgardner, Bratton, Lucas, Hammel, Landis, Brooker, Close, Brice, Blank, Ott, Stafford, Davis, Harper, Weaver, Shaffer, Wood, Rogers, George, and Goodrich, of Massillon; from T. S. Crissing, of Martel; from W. A. Fry, of Columbus; from C. D. Hull, of Sandusky; from Kenny, Mills, Icenhour, Arnold, and Carpenter, of Floodwood; from S. W. Mosler, of Waverly; from G. W. Bell, George F. Corley, S. A. Davis, and J. E. Collins, of Clinton; from O. E. Lewis, of Oxford; from George Farrell and John H. Fitch, of Youngstown; from Ashbaugh, Carpenter, and Burnoon, of Tontogany; from D. J. O'Hara, of Toledo, all in the State of Ohio.

Mr. DICK presented a memorial of Waterford Grange, No. 231, Patrons of Husbandry, of Waterford, Ohio, remonstrating against the passage of the so-called "ship-subsidy bill;" which was ordered to lie on the table.

He also presented a memorial of the Society of Natural History of Cincinnati, Ohio, remonstrating against the enactment of legislation to abolish the Division of Biological Survey in the Department of Agriculture; which was ordered to lie on the table.

He also presented a petition of the Civic Club of Sandusky, Ohio, praying for the enactment of legislation to regulate the employment of child labor; which was ordered to lie on the table.

Mr. FLINT presented petitions of sundry citizens of Ramona, San Diego, and National City, all in the State of California, praying for the enactment of legislation to regulate the interstate transportation of intoxicating liquors; which were referred to the Committee on the Judiciary.

Mr. DEPEW presented the petition of Ernest N. Pattee, of Syracuse, N. Y., and the petition of B. F. Stinson, of Buffalo, N. Y., praying for the adoption of certain amendments to the present denatured-alcohol law; which were ordered to lie on the table.

He also presented a memorial of the executive committee of the Oystermen's Protective Association of the State of New York, remonstrating against the enactment of any legislation to prohibit interstate commerce in opened oysters; which was referred to the Committee on Interstate Commerce.

He also presented a petition of sundry citizens of Corinth, N. Y., praying for the enactment of legislation to regulate the interstate transportation of intoxicating liquors; which was referred to the Committee on the Judiciary.

JAMES W. KENNEY.

Mr. LODGE. I ask the Senator from New Hampshire to yield to me for a moment in order that I may call up a small bill, which will not take a moment. It is a House bill.

Mr. GALLINGER. I will yield for that purpose.

Mr. LODGE. I ask the Senate to proceed to the consideration of the bill (H. R. 8727) for the relief of James W. Kenney and the Union Brewing Company.

The Secretary read the bill; and there being no objection, the Senate, as in Committee of the Whole, proceeded to its consideration. It proposes to pay James W. Kenney, proprietor of the Park Brewery, \$337.50, and to James W. Kenney, treasurer of the Union Brewing Company, \$440.62, these sums having been paid by said James W. Kenney under an illegal assessment for short-tax beer.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

TRANSFER OF DOCUMENTS OF INDUSTRIAL COMMISSION.

Mr. HANSBROUGH. I ask that the joint resolution (H. J. Res. 211) authorizing the transfer of the files, books, and pamphlets of the Industrial Commission be laid before the Senate and considered. It was read last night.

There being no objection, the Senate, as in Committee of the Whole, resumed the consideration of the joint resolution.

The joint resolution was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

ESTATE OF ARCHIBALD D. PALMER.

Mr. GALLINGER. I yield to the Senator from Wyoming [Mr. WARREN] to offer a resolution.

Mr. WARREN submitted the following resolution; which was considered by unanimous consent, and agreed to:

Resolved, That the bill (S. 8363) for the relief of Lizzie Dickson, administratrix of Archibald D. Palmer, deceased, with all accompanying papers, be, and the same is hereby, referred to the Court of Claims for a finding of facts under the terms of the act of March 3, 1887, and generally known as the Tucker Act.

REPORT OF A COMMITTEE.

Mr. FLINT, from the Committee on Public Lands, to whom was referred the bill (S. 6626) for the establishment of a drainage fund and the construction of works for the reclamation of swamp and overflowed lands, reported it with amendments, and submitted a report thereon.

BILL INTRODUCED.

Mr. DICK introduced a bill (S. 8627) to make accessible to inventors and manufacturers, manual training, industrial, and scientific schools the files of the Patent Office and scientific bureaus of the several Departments of the Government by the publication of card files of patents and card-subject indexes of the scientific libraries of the Patent Office and of the scientific bureaus of the Government relating to industrial arts and commerce; which was read twice by its title, and referred to the Committee on Patents.

OMAHA NATIONAL BANK.

Mr. GALLINGER. I yield to the Senator from Nebraska [Mr. MILLARD], and then I will not yield further for the present.

Mr. MILLARD submitted the following resolution; which was considered by unanimous consent, and agreed to:

Resolved, That the House of Representatives be requested to return to the Senate the bill (S. 171) entitled "A bill for the relief of the Omaha National Bank," and that the same be referred to the Court of Claims, in pursuance of the provisions of an act entitled "An act to provide for the bringing of suits against the Government of the United States," approved March 3, 1887, generally known as the Tucker Act. And the said court shall proceed with the same in accordance with the provisions of such act and report to the Senate in accordance therewith.

THE MERCHANT MARINE.

The Senate resumed the consideration of the amendment of the House of Representatives to the bill (S. 529) to promote the national defense, to create a naval reserve, to establish American ocean mail lines to foreign markets, and to promote commerce.

The VICE-PRESIDENT. The question is on agreeing to the motion of the Senator from New Hampshire [Mr. GALLINGER] to concur in the amendment made by the House of Representatives.

Mr. CARMACK rose.

Mr. GALLINGER. Mr. President—

Mr. BERRY. I think the Senator from Tennessee [Mr. CARMACK] has the floor.

Mr. GALLINGER. The Senator from Tennessee can not hold the floor after the recess.

The VICE-PRESIDENT. The Senator from New Hampshire has the floor.

Mr. McLAURIN. Mr. President—

The VICE-PRESIDENT. Does the Senator from New Hampshire yield to the Senator from Mississippi?

Mr. GALLINGER. For what purpose does the Senator rise?

Mr. McLAURIN. I wish to say that the Senator from New Hampshire can certainly not hold the floor on this measure, and thereby prohibit debate.

Mr. GALLINGER. Mr. President, I have the floor.

The VICE-PRESIDENT. The Senator from New Hampshire will suspend while the Senate receives a message from the House of Representatives.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by Mr. W. J. BROWNING, its Chief Clerk, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 5133) to promote the safety of employees and travelers upon railroads by limiting the hours of service of employees thereon.

The message also announced that the House had passed the

bill (S. 8614) to amend an act entitled "An act to regulate the practice of medicine and surgery in the District of Columbia," approved June 3, 1896.

The message further announced that the House had passed concurrent resolution relative to the enrollment of the bill (S. 5133) to promote the safety of employees and travelers upon railroads by limiting the hours of service of employees thereon; in which it requested the concurrence of the Senate.

ENROLLED BILLS SIGNED.

The message also announced that the Speaker of the House had signed the following enrolled bills and joint resolutions; and they were thereupon signed by the Vice-President:

S. 6447. An act to authorize the appointment of Acting Asst. Surg. George Plummer, U. S. Navy, as an assistant surgeon in the United States Navy;

S. 8012. An act to erect a monument on the Tippecanoe battle ground, in Tippecanoe County, Ind.;

S. 8230. An act for the relief of Harold D. Childs;

S. 8292. An act providing for the completion by the Secretary of War of a monument to the memory of the American soldiers who fell in the battle of New Orleans, at Chalmette, La., and making the necessary appropriation therefor;

S. 8568. An act granting an increase of pension to Rosanna A. May;

S. 8585. An act for the relief of Charles W. Spalding;

H. R. 13304. An act to provide a suitable memorial to the memory of Christopher Columbus;

H. R. 17415. An act to authorize the assignees of coal-land locations to make entry under the coal-land laws applicable to Alaska;

H. R. 25745. An act making appropriations for sundry civil expenses of the Government for the fiscal year ending June 30, 1908, and for other purposes;

H. R. 25883. An act to reinstate Leonard Martin Cox in the Corps of Civil Engineers of the Navy;

S. R. 29. Joint resolution authorizing the selection of a site and the erection of a pedestal for the Stephenson Grand Army memorial in Washington, D. C.; and

S. R. 98. Joint resolution granting permission to Rear-Admiral B. H. McCalla to accept a medal from the King of Great Britain and the Order of the Red Eagle from the Emperor of Germany.

HOURS OF LABOR OF RAILROAD EMPLOYEES.

Mr. GALLINGER. Mr. President—

Mr. FLINT. Will the Senator from New Hampshire yield to me?

Mr. GALLINGER. For what purpose?

Mr. FLINT. I wish to present a conference report on Senate bill 5133.

Mr. GALLINGER. Of course I yield for that purpose. I have to do it.

Mr. FLINT submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (S. 5133) to promote the safety of employees and travelers upon railroads by limiting the hours of service of employees thereon, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recedes from its disagreement to the House amendment, and agrees to the same with amendments as follows:

In line 3, page 1, strike out the word "and" and insert "or" in said amendment.

In line 13, page 1, strike out the word "corporation" and insert in lieu thereof the words "common carrier" in said amendment.

In line 13, page 2 of said amendment, after the word "continue," insert "or again go;" and in the same line strike out the four concluding words of said line, reading "or go on duty."

In line 14, page 2 of said amendment, after the word "eight," insert the word "consecutive."

In lines 14 and 15, page 2, strike out the words "within such twenty-four-hour period."

In line 15, page 2, strike out all after the word "Provided" to and including the word "daytime," in line 24, and insert the following: "That no operator, train dispatcher, or other employee who by the use of the telegraph or telephone dispatches, reports, transmits, receives, or delivers orders pertaining to or affecting train movements shall be required or permitted to be or remain on duty for a longer period than nine hours in any twenty-four-hour period in all towers, offices, places, and stations continuously operated night and day, nor

for a longer period than thirteen hours in all towers, offices places, and stations operated only during the daytime, except in case of emergency, when the employees named in this proviso may be permitted to be and remain on duty for four additional hours in a twenty-four-hour period on not exceeding three days in any week: *Provided further*, The Interstate Commerce Commission may, after full hearing, in a particular case and for good cause shown, extend the period within which a common carrier shall comply with the provisions of this proviso as to such case."

In line 9, page 3, after the word "suits," insert the words "to be."

In line 13, page 3, strike out the word "verified."

In line 15, page 3, strike out the words "three years" and insert "one year."

In line 21, page 3, after the word "of," insert the word "all;" and in the same line strike out the words "duly authorized" and insert in lieu thereof the words "officers and."

In line 24, page 3, after the word "its," insert the words "officer or."

In lines 1 and 2, page 4, strike out the words "with the exercise of reasonable prudence."

Strike out all of lines 7 and 8, page 4, and insert in lieu thereof "and all powers granted to the Interstate Commerce Commission are hereby extended to it in the execution of this act."

And the Senate agree to the same.

BOIES PENROSE,
FRANK P. FLINT,
JNO. W. DANIEL,

Managers on the part of the Senate.

W. P. HEPBURN,
IRVING P. WANGER,
W. C. ADAMSON,

Managers on the part of the House.

The VICE-PRESIDENT. The question is on agreeing to the report.

Mr. CULLOM. I think it would be well for some member of the conference committee to explain exactly the difference between the report just made and the one previously rejected by the Senate.

Mr. FLINT. The only change which has been made in the report is in reference to the telegraph operators. We have adopted the House provision with a proviso to the effect that in any given case, upon application to the Interstate Commerce Commission and upon a hearing, the Commission may extend the time in that case in which the act shall go into effect.

Mr. NEWLANDS. There was so much confusion in the Chamber it was difficult to hear the statement of the Senator from California. I should like to inquire whether section 2 of the conference report is substantially in the language of the so-called "Murphy amendment" to the House bill?

Mr. FLINT. It is.

Mr. PATTERSON. Mr. President, the new report of the conference committee embraces the provisions for which those who are advocating the cause of the telegraph operators contended, with the modification suggested by the Senator from California, namely, that upon good cause shown the Interstate Commerce Commission may suspend the operation of the act with reference to a particular road for a reasonable period. The theory upon which that change has been made is that a sufficient number of operators may not be immediately obtainable to carry out the provisions of the statute.

The bill as reported is not altogether satisfactory to the friends of the measure representing the wishes of the operators, but in the main it is very satisfactory, and I have no doubt in the world but that within a year or two, when the operations of the act have been put into practical effect, whatever defects or omissions may be disclosed, the amendments that experience will show ought to be made will be adopted by Congress.

There is no reason, so far as I know, from the standpoint of friendship for the measure, why the conference report should not be adopted.

Mr. DANIEL. Mr. President, last night this report was unanimously made by the conferees of both Houses—

Mr. FLINT. Mr. President—

The VICE-PRESIDENT. Does the Senator from Virginia yield to the Senator from California?

Mr. DANIEL. Certainly.

Mr. FLINT. Mr. President, I simply desire to make a statement in reply to a question which was asked by the Senator from Nevada [Mr. NEWLANDS], and that is, if the conference report is the same as the Murphy amendment. I will state that it is, except that an error was made in the report and several

words omitted. The House adopted a concurrent resolution correcting the error. It is necessary that this concurrent resolution should be adopted by the Senate. I am very anxious that the conference report should be disposed of so that the concurrent resolution may then be acted on.

Mr. NEWLANDS. I will ask the Senator whether there is danger in the delay of the consideration of this bill?

Mr. FLINT. There is, and that is my reason for calling attention to it at this time.

Mr. DANIEL. Mr. President, this is a unanimous report of the conferees of both Houses. Last night it was promptly taken up by the House of Representatives and agreed to on a roll call by a unanimous vote. It is to be hoped that it will also receive a unanimous vote in this body.

The only change made since the former conference report was made was in pursuance of the instruction of the House of Representatives, and to the amendment thus made to the bill with respect to telegraph operators there is inserted this further proviso:

The Interstate Commerce Commission may, after full hearing in a particular case and for good cause shown, extend the period within which a common carrier shall comply with the provisions of this proviso as to said case.

This amendment proved to be a solvent of difficulties, and the way is now clear for those who desire a reasonable and just measure on this subject to vote for it.

Mr. MCCREARY. I desire to ask the Senator from Virginia a question in regard to this conference report concerning the provision relating to telegraph operators.

Mr. DANIEL. As agreed to it is practically the same as the bill as it passed the other House, with the one change which I have stated.

Mr. MCCREARY. As I understand, this report has been agreed to by the other House?

Mr. DANIEL. As I previously stated, it was unanimously agreed to by the other House last night. That is in the RECORD of to-day, and I was over in the House, heard the roll called, and witnessed the procedure.

The VICE-PRESIDENT. The question is on agreeing to the conference report.

Mr. FLINT. On that I ask for the yeas and nays, Mr. President.

The yeas and nays were ordered; and the Secretary proceeded to call the roll.

Mr. CULLOM (when his name was called). I have a general pair with the junior Senator from Virginia [Mr. MARTIN], but I transfer that pair to the junior Senator from Iowa [Mr. DOLLIVER] and vote. I vote "yea."

Mr. DEPEW (when his name was called). I am paired with the Senator from Louisiana [Mr. MCENERY], but as we are agreed on this question I am at liberty to vote. I vote "yea."

The roll call was concluded.

Mr. ALLISON. I desire to state that my colleague [Mr. DOLLIVER] is necessarily absent. If present, he would vote "yea."

Mr. LONG. I desire to state that my colleague [Mr. CURTIS] is unavoidably absent, but, if present, he would vote "yea."

Mr. McCUMBER. I have a general pair with the junior Senator from Louisiana [Mr. FOSTER], who is necessarily absent. I have been requested to announce that if he were present the Senator from Louisiana would vote "yea," and as I am in accord with him on this question I am at liberty to vote, and I vote "yea."

Mr. FLINT. I have been requested to state that the senior Senator from Pennsylvania [Mr. PENROSE] is necessarily absent from the Chamber this morning, and that if he were present he would vote "yea."

The result was announced—yeas 76, nays 0, as follows:

YEAS—76.

Allee	Cullom	Heyburn	Patterson
Allison	Daniel	Hopkins	Perkins
Ankeny	Depew	Kean	Pettus
Berry	Dick	Kittredge	Piles
Beveridge	Dillingham	Knox	Platt
Blackburn	Dryden	Latimer	Proctor
Brandegee	Dubois	Lodge	Rayner
Bulkeley	Du Pont	Long	Scott
Burkett	Elkins	McCreary	Simmons
Burnham	Flint	McCumber	Smith
Burrows	Foraker	McLaurin	Smoot
Carmack	Frazier	Mallory	Spooner
Carter	Frye	Millard	Stone
Clapp	Fulton	Morgan	Sutherland
Clark, Mont.	Gallinger	Mulkey	Taliaferro
Clark, Wyo.	Gamble	Nelson	Teller
Clay	Hale	Newlands	Warner
Crane	Hansbrough	Nixon	Warren
Culberson	Hemenway	Overman	Whyte

NAYS—0.

NOT VOTING—14.

Aldrich	Curtis	McEnery	Tillman
Bacon	Dolliver	Martin	Wetmore
Bailey	Foster	Money	
Clarke, Ark.	La Follette	Penrose	

So the report was agreed to.

The VICE-PRESIDENT laid before the Senate the following concurrent resolution of the House of Representatives; which was read:

IN THE HOUSE OF REPRESENTATIVES,
March 2, 1907.

Resolved by the House of Representatives (the Senate concurring), That in enrolling the bill (S. 5133) to promote the safety of employees and travelers upon railroads by limiting the hours of service of employees thereon, the enrolling clerk be directed to correct the engrossed amendment of the House to the Senate bill by striking out all after the word "Provided," in section 2 of said amendment, and inserting "Provided, That no operator, train dispatcher, or other employee who, by the use of the telegraph or telephone dispatches, reports, transmits, receives, or delivers orders pertaining to or affecting train movements shall be required or permitted to be or remain on duty for a longer period than nine hours in any twenty-four-hour period in all towers, offices, places, and stations continuously operated night and day, nor for a longer period than thirteen hours in all towers, offices, places, and stations operated only during the daytime, except in case of emergency, when the employees named in this proviso may be permitted to be and remain on duty for four additional hours in a twenty-four-hour period or not exceeding three days in any week."

The VICE-PRESIDENT. The question is on agreeing to the concurrent resolution of the House of Representatives.

The concurrent resolution was agreed to.

NICHOLAS M. HAWKINS.

The VICE-PRESIDENT laid before the Senate the following message from the President of the United States; which was read, and, with the accompanying bill, referred to the Committee on Pensions, and ordered to be printed:

To the Senate:

In compliance with the resolution of the Senate (the House of Representatives concurring) of the 2d instant, I return herewith Senate bill No. 5623, entitled "An act granting an increase of pension to Nicholas M. Hawkins."

THE WHITE HOUSE, March 2, 1907.

WILLIAM N. BRONSON.

THEODORE ROOSEVELT.

The VICE-PRESIDENT laid before the Senate the following message from the President of the United States; which was read, and, with the accompanying bill, referred to the Committee on Pensions, and ordered to be printed:

To the Senate:

In compliance with the resolution of the Senate (the House of Representatives concurring) of the 2d instant, I return herewith Senate bill No. 7822, entitled "An act granting an increase of pension to William N. Bronson."

THE WHITE HOUSE, March 2, 1907.

THE MERCHANT MARINE.

THEODORE ROOSEVELT.

The Senate resumed the consideration of the amendment of the House of Representatives to the bill (S. 529) to promote the national defense, to create a naval reserve, to establish American ocean mail lines to foreign markets, and to promote commerce.

Mr. GALLINGER. Mr. President, as this is the last day of the session, I will ask the Senate whether a vote may be taken on the bill that is under consideration?

Mr. CARMACK. Mr. President, I am sorry to say to the Senator from New Hampshire that there will be no vote taken until after considerable debate.

Mr. GALLINGER. I greatly regret that my request is refused. After the two days of rather frivolous debate on this very important bill I feel that it is my privilege as well as my duty in closing the debate to call attention very briefly to a few salient points and to emphasize the fact that, as I see the situation, we ought to have legislation on this very important subject.

In the first place, Mr. President, I desire to ask unanimous consent to have the portion of the ocean mail law of March 3, 1891, which I have marked placed in the Record without taking the time to read it.

The VICE-PRESIDENT. In the absence of objection, permission is granted.

THE EXISTING OCEAN MAIL LAW.

The portion of the law referred to is as follows:

The Postmaster-General is hereby authorized and empowered to enter into contracts for a term not less than five nor more than ten years in duration, with American citizens, for the carrying of mails on American steamships, between ports of the United States and such ports in foreign countries, the Dominion of Canada excepted, as in his judgment will best subserve and promote the postal and commercial interests of the United States, the mail service on such lines to be equitably distributed among the Atlantic, Mexican Gulf, and Pacific ports. Said contracts shall be made with the lowest responsible bidder for the performance of said service on each route, and the Postmaster-General shall have the right to reject all bids not in his opinion reasonable for the attaining of the purposes named.

Before making any contract for carrying ocean mails in accordance with this act the Postmaster-General shall give public notice by advertising once a week, for three months, in such daily papers as he shall select in each of the cities of Boston, New York, Philadelphia, Baltimore, New Orleans, St. Louis, Charleston, Norfolk, Savannah, Galveston, and Mobile, and when the proposed service is to be on the Pacific Ocean, then in San Francisco, Tacoma, and Portland. Such notice shall describe the route, the time when such contract will be made, the duration of the same, the size of the steamers to be used, the number of trips a year, the times of sailing, and the time when the service shall commence, which shall not be more than three years after the contract shall be let. The details of the mode of advertising and letting such contracts shall be conducted in the manner prescribed in chapter 8 of Title XLVI of the Revised Statutes for the letting of inland mail contracts so far as the same shall be applicable to the ocean mail service.

The vessels employed in the mail service under the provisions of this act shall be American-built steamships, owned and officered by American citizens, in conformity with the existing laws, or so owned and officered and registered according to law, and upon each departure from the United States the following proportion of the crew shall be citizens of the United States, to wit: During the first two years of such contract for carrying the mails, one-fourth thereof; during the next three succeeding years, one-third thereof; and during the remaining time of the continuance of such contract at least one-half thereof; and shall be constructed after the latest and most approved types, with all the modern improvements and appliances for ocean steamers.

They shall be divided into four classes. The first shall be iron or steel screw steamships, capable of maintaining a speed of 20 knots an hour at sea in ordinary weather, and of a gross registered tonnage of not less than 8,000 tons. No vessel except of said first class shall be accepted for said mail service under the provisions of this act between the United States and Great Britain. The second class shall be iron or steel steamships, capable of maintaining a speed of 16 knots an hour at sea in ordinary weather, and of a gross registered tonnage of not less than 5,000 tons. The third class shall be iron or steel steamships, capable of maintaining a speed of 14 knots an hour at sea in ordinary weather, and of a gross registered tonnage of not less than 2,500 tons. The fourth class shall be iron or steel or wooden steamships, capable of maintaining a speed of 12 knots an hour at sea in ordinary weather, and of a gross registered tonnage of not less than 1,500 tons. It shall be stipulated in the contract or contracts to be entered into for the said mail service that said vessels may carry passengers with their baggage in addition to said mails, and may do all ordinary business done by steamships.

All steamships of the first, second, and third classes employed as above and hereafter built shall be constructed with particular reference to prompt and economical conversion into auxiliary naval cruisers, and according to plans and specifications to be agreed upon by and between the owners and the Secretary of the Navy, and they shall be of sufficient strength and stability to carry and sustain the working and operation of at least four effective rifled cannon of a caliber of not less than 6 inches, and shall be of the highest rating known to maritime commerce. And all vessels of said three classes heretofore built and so employed shall, before they are accepted for the mail service herein provided for, be thoroughly inspected by a competent naval officer or constructor detailed for that service by the Secretary of the Navy; and such officer shall report, in writing, to the Secretary of the Navy, who shall transmit said report to the Postmaster-General; and no such vessel not approved by the Secretary of the Navy as suitable for the service required shall be employed by the Postmaster-General as provided in this act.

The rate of compensation to be paid for such ocean mail service of the said first-class ships shall not exceed the sum of \$4 a mile, and for the second-class ships \$2 a mile, by the shortest practicable route, for each outward voyage; for the third-class ships not to exceed \$1 a mile, and for the fourth-class ships two-thirds of \$1 a mile, for the actual number of miles required by the Post-Office Department to be traveled on each outward-bound voyage: *Provided*, That in the case of failure from any cause to perform the regular voyages stipulated for in said contracts or any of them a pro rata deduction shall be made from the compensation on account of such omitted voyage or voyages; and that suitable fines and penalties may be imposed for delays or irregularities in the due performance of service according to the contract, to be determined by the Postmaster-General: *Provided further*, That no steamship so employed and so paid for carrying the United States mails shall receive any other bounty or subsidy from the Treasury of the United States.

AN EXTENSION OF THE PRESENT ACT.

Mr. GALLINGER. Mr. President, I want to direct the attention of Senators to the fact that the bill now under consideration proposes simply an enlargement and extension of that act, which has been in operation for the last sixteen years, and to which nobody, so far as I know, has ever objected.

It will be observed that the proposed lines are all to run to South America—two from the Atlantic coast, to Brazil and Argentina, respectively; one from the Pacific coast, to Peru and Chile, and one from the Gulf of Mexico, to Brazil.

I regret exceedingly that the House substitute now before us abandons all assistance to lines from the Pacific coast to Japan, China, the Philippines, and Australasia. To my mind that action was most unfortunate, as our future trade, in addition to that with South America, must necessarily come largely from the Orient. If it was earlier in the session I would ask for a conference, in the hope that some additional appropriations for lines to Oriental ports might be secured; but, manifestly, it is too late to accomplish that result, hence the motion has been made to agree to the House amendment. While, as I have suggested, the bill is not what some of us would desire, it is an enlargement of the existing ocean mail law, and as such it is accepted.

THE FOUR PROPOSED LINES.

The bill as amended by the House includes four of the ocean-mail routes contained in the bill framed by the Mer-

chant-Marine Commission, reported from the Committee on Commerce, and passed by the Senate February 14, 1906.

On all of these four lines 16-knot steamers are required, a speed on the average above that of the mail lines from Europe to South America, and yet not so high that the vessels performing the service would be unable to carry large cargoes of general merchandise. Under the terms of the ocean-mail law of 1891, made applicable to this proposed measure, all steamers performing this service on all four routes must be built on designs approved by the Navy Department, and must be held available for Government use in war. I understand they will be of 6,000 tons and upward.

An amendment adopted by the House reserves the proposed subventions exclusively to vessels hereafter built in the United States, so that this mail service can not be performed by existing steamers, and the creation of an entire new ocean-mail fleet is guaranteed—ships of the highest rating known to maritime commerce and of the latest and most improved construction.

The proposed line from the Atlantic coast to Brazil would require at least four steamers for a fortnightly service, and five steamers if the regularity of schedule prescribed by our ocean-mail laws were to be secured beyond question. The line to Argentina would require at least five, and probably six, steamers. The line from the Gulf coast to Brazil would require at least four, and probably five, steamers. The line from the Pacific coast to Peru and Chile would require at least five, and probably six, steamers. There must be, therefore, all told, a fleet of from eighteen to twenty-two new steamships of superior speed, valuable both for commerce and for the national defense, provided these four proposed lines go into full operation.

Provision is made on each route for both a monthly and a fortnightly service. The fortnightly service calls for a maximum compensation of \$600,000 a year on the two lines to Brazil, \$800,000 on the line to Argentina, and \$600,000 on the line from the Pacific coast to Peru and Chile, which line would have the advantage of the protection of the coastwise laws if it touched at the Isthmus of Panama on merchandise shipped via the Isthmus in transit between the Atlantic and Pacific coasts of the United States.

The total subvention to the proposed lines on a basis of monthly sailings would be \$1,300,000 a year; on a fortnightly service, \$2,600,000. The annual profit which the United States now makes out of its ocean-mail service, as stated by the Postmaster-General, is about \$3,000,000 a year; and there seems to be no good reason why this profit should not be devoted to extending our mail service and increasing our commerce.

It will be observed that this bill proposes \$600,000 a year for a fortnightly mail service in 16-knot steamers from the Atlantic coast to Brazil and \$800,000 a year for a similar service to Argentina, \$1,400,000 for both. Now let us see what other nations are doing to aid their merchant marine.

The German Government pays the North German Lloyd, under a fifteen-year contract, \$1,330,000 a year for a fortnightly mail service in 15-knot steamers via the Suez Canal to the East Indies.

The British Government paid the Royal Mail Company \$1,350,000 a year to establish a mail service to the West Indies, Brazil, and Argentina.

The British Government pays the Peninsular and Oriental Company \$1,600,000 a year for a mail service to the East Indies.

Why should not the United States aid its overseas shipping as other maritime nations are doing?

PROFIT FROM OUR OCEAN MAILS.

With the permission of the Senate, Mr. President, I will place in the RECORD a brief table from the report of the Superintendent of Foreign Mails showing the profit for recent years on our ocean mails, from which it appears that last year the profit was \$3,043,183.32.

The VICE-PRESIDENT. In the absence of objection, permission is granted.

The table referred to is as follows:

The report of the Superintendent of Foreign Mails shows the following profits for recent years on our ocean mails:

Year ended June 30—	Surplus or profit.
1906.....	\$3,043,183.32
1905.....	2,040,416.60
1904.....	2,579,338.12
1903.....	2,608,385.74
1902.....	1,491,693.02
1901.....	942,786.45

Mr. GALLINGER. On this point, Secretary Root, in his speech of November 20, 1906, before the Trans-Mississippi Commercial Congress, at Kansas City, said:

The actual cost to the Government last year of the ocean mail service to foreign countries other than Canada and Mexico was \$2,965,

624.21, while the proceeds realized by the Government from postage between the United States and foreign countries other than Canada and Mexico was \$6,008,807.53, leaving the profit to the United States of \$3,043,183.32; that is to say, under existing law the Government of the United States, having assumed the monopoly of carrying the mails for the people of the country, is making a profit of \$3,000,000 per annum by rendering cheap and inefficient service. Every dollar of that three millions is made at the expense of the commerce of the United States. What can be plainer than that the Government ought to expend at least the profits that it gets from the ocean mail service in making the ocean mail service efficient.

FREE IMPORTS FROM SOUTH AMERICA.

I will also ask permission to place in the RECORD, without reading, a table showing the free and dutiable imports from the countries to which these proposed routes would run.

The VICE-PRESIDENT. In the absence of objection, permission is granted.

The table referred to is as follows:

	Per cent.	Free.	Dutiable.
Imports from all South America.....	84.74	\$127,788,000	\$23,006,000
Imports from Brazil.....	98.12	97,966,000	1,876,000
Imports from Argentina.....	21.77	3,342,000	12,012,000
Imports from Peru.....	54.22	1,709,000	1,443,000
Imports from Chile.....	96.61	10,695,000	376,000

* Chiefly hides and wool.

MAIL PAY TO AMERICAN AND FOREIGN SHIPS.

Mr. GALLINGER. I will also ask to place in the RECORD a brief table from page 112 of "Trade and Transportation," by William Eleroy Curtis, showing the relative proportion of the appropriation paid to American and foreign steamship companies for carrying the mails of the United States. From this table it will be seen that in the year 1888 we paid \$531,058.53 to foreign steamship companies for carrying our mails and only \$86,890.45 to American steamships.

The VICE-PRESIDENT. In the absence of objection, permission is granted to print the table referred to.

The table referred to is as follows:

[From page 112, "Trade and Transportation," by William Eleroy Curtis.]

Fiscal year.	Total amount paid vessels of all lines.	Amount paid vessels sailing under American flag.
1848.....	\$100,500.00	\$100,500.00
1849.....	235,086.22	235,086.22
1850.....	619,923.62	619,923.62
1851.....	1,465,818.48	1,465,818.48
1852.....	1,655,240.59	1,655,240.59
1853.....	1,880,273.33	1,880,273.33
1854.....	1,903,286.36	1,903,286.36
1855.....	1,936,714.62	1,936,714.62
1856.....	1,886,765.63	1,886,765.63
1857.....	1,589,152.65	1,589,152.65
1858.....	1,211,061.49	1,177,303.01
1859.....	1,204,569.62	1,075,220.09
1860.....	851,329.93	707,244.59
1861.....	806,885.36	570,952.86
1862.....	374,617.67	80,686.04
1863.....	416,074.07	79,397.05
1864.....	440,440.94	64,356.11
1865.....	475,428.16	66,571.50
1866.....	713,927.70	245,600.88
1867.....	867,202.65	411,064.59
1868.....	1,016,146.19	625,239.47
1869.....	1,101,689.54	757,963.90
1870.....	1,115,333.36	799,388.90
1871.....	975,024.73	699,661.37
1872.....	1,026,891.26	805,788.16
1873.....	1,044,156.92	815,400.26
1874.....	988,398.54	750,295.50
1875.....	976,643.77	740,380.69
1876.....	753,610.02	580,062.51
1877.....	448,896.41	286,834.97
1878.....	199,979.87	40,152.41
1879.....	200,026.45	41,251.45
1880.....	199,809.28	38,779.83
1881.....	240,066.78	42,552.13
1882.....	280,500.67	40,645.42
1883.....	316,358.15	48,076.58
1884.....	332,221.21	53,109.92
1885.....	331,903.33	49,048.01
1886.....	350,882.13	43,318.81
1887.....	429,036.11	76,727.23
1888.....	581,058.55	86,890.45

JUSTICE FOR THE MERCHANT MARINE.

Mr. GALLINGER. Mr. President, it is a remarkable fact that only 9 per cent of our commerce is carried in American ships, the other 91 per cent being carried in the ships of foreign countries. Two hundred million dollars, or thereabouts, is annually paid to foreign steamships for carrying the imports and exports of the United States. Two hundred million dollars annually is distributed among the people of foreign countries, that, had we American lines to South America and the Orient,

would be largely distributed among the people of our own country, thus giving an impetus to all branches of American industry, and distributing that enormous sum among the people of our own country.

I understand that during this session of Congress we have made appropriations aggregating almost \$1,000,000,000. The distinguished Senator from Iowa [Mr. ALLISON] will place in the RECORD a detailed statement of the appropriations, and I think I am within bounds when I say that they will approximate \$1,000,000,000.

We have passed a river and harbor bill which carries about \$87,000,000. I will ask the Senator from Maine if I am correct?

Mr. FRYE. The Senator is correct.

Mr. GALLINGER. It carries about \$87,000,000. We have appropriated for the Navy about \$100,000,000; we have appropriated for the Army at this session of Congress \$78,000,000, and we have appropriated not one single dollar for the American merchant marine.

On yesterday I called attention to a fact, which is worthy of repetition, that, in addition to the large appropriations made in the river and harbor appropriation bill of this session for the city of Galveston we have spent about \$11,000,000 on that single port for the purpose of increasing the depth of and removing obstructions from that harbor, so that the great commerce of that southern city can be carried to foreign countries; and yet, Mr. President, after expending \$12,000,000 upon that harbor, there is but one single American ship going out of that port, and that is a lone schooner of 300 tons. Every other ship that leaves Galveston for foreign ports carrying the exports of the United States flies a foreign flag.

Mr. President, we are in hopes that some time in the future we shall have a canal joining the waters of the Pacific and the Atlantic oceans. I do not propose to enter the realm of prophecy, but, in my judgment, that canal will cost the United States \$400,000,000; and unless we do something for the American merchant marine, when that great waterway is constructed the flag of the United States will not be seen on a merchant vessel passing through it, except at infrequent intervals. It will doubtless be seen on an occasional battle ship or a yacht of some American millionaire. If the Congress of the United States thinks that that is good policy, if Senators feel that we ought to stand idly here and not raise our hands or our voices to do something for the American merchant marine, so that our flag will in the future be seen, as it was seen in the past, in the ports of the world, I am astounded and surprised. I do not believe that is the conclusion of the American people, whom we are supposed to represent in this Chamber.

I believe that there will be an uprising of the people of this country when they come to know the fact, as in due time they will come to know it, that the United States leads all the nations of the world in wealth, in agriculture, in mining, in manufactures, and in all the great industrial pursuits of life, and yet in this matter of our merchant marine we are lagging behind every maritime nation of the world. This will not always last, and I am profoundly grateful that in the debate which has occupied the past few days the American people have had an opportunity to understand that there are some men in public life who feel that this great question should be seriously considered and that an effort should be made now and hereafter to accomplish the desired result.

Mr. President, I ask to have inserted in the RECORD, without reading, some papers that were compiled by the late Commission on the Merchant Marine, which will give valuable information to any Senator or to any citizen of the Republic who is desirous of getting accurate knowledge on this great question.

The VICE-PRESIDENT. In the absence of objection, permission is granted to print the papers referred to in the RECORD. The matter referred to is as follows:

DEVELOPMENT OF THE FOREIGN MAIL SERVICE, THE AMERICAN MERCHANT MARINE, AND AMERICAN COMMERCE—MEMORANDA OF THE COMMITTEE ON THE MERCHANT MARINE AND FISHERIES ON THE SUBSTITUTE FOR S. 529—SOUTHERN ADVOCATES OF OCEAN MAIL LINES.

In 1845, on the initiative of southern men in Congress, the first law was passed authorizing mail subsidies for American steamships in the foreign trade. President Polk urged an extension of this system and in 1847 another and a more effective ocean mail law was enacted. These laws created three American steamship lines to Europe—one to Great Britain, one to France, and one to Germany—and several lines from New York and southern ports to the West Indies and the Isthmus of Panama, and also in the Pacific from the Isthmus northward to California and Oregon. About \$2,000,000 a year in mail subsidies was paid to these lines when they were established, and by 1851 the United States had 62,320 tons of ocean steamers as compared with Great Britain's 65,921 tons—the American steamers being newer, swifter, more powerful, and especially designed and constructed for war purposes. Their competition had reduced freight rates across the Atlantic from about \$35 to \$20 per ton.

All through these years southern men in Congress were most earnest supporters of this ocean mail legislation. Not until the slavery

quarrel embittered North and South was there any partisan division over the mail-subsidy policy. But most of these ocean mail steamers, as it happened, were built and owned in the North, and finally the legislation was drawn into the sectional controversy of the period, with the result that the ocean mail laws were finally repealed and the trans-Atlantic steamship lines abandoned. Many patriotic southern men, however, supported the mail-steamship policy to the last.

President John Tyler, message to Congress, December, 1844:

"I can not too strongly urge the policy of authorizing the establishment of a line of steamships regularly to ply between this country and foreign ports, and upon our own waters, for the transportation of the mail. The example of the British Government is well worthy of imitation in this respect. The belief is strongly entertained that the emoluments arising from the transportation of mail matter to foreign countries would operate of itself as an inducement to cause individual enterprise to undertake that branch of the task, and the remuneration to the Government would consist in the addition readily made to our steam navy in case of emergency by the ships so employed. Should this suggestion meet your approval the propriety of placing such ships under the command of experienced officers of the Navy will not escape your observation. The application of steam to the purpose of naval warfare cogently recommends an extensive steam marine as important in estimating the defenses of the country. Fortunately this may be attained by us to a great extent without incurring any large amount of expenditure. Steam vessels, to be engaged in the transportation of the mails on our principal water courses, lakes, and parts of our coast, can also be so constructed as to be efficient as war vessels when needed and would of themselves constitute a formidable force in order to repel attacks from abroad.

"We can not be blind to the fact that other nations have already added large numbers of steamships to their naval armaments and that this new and powerful agent is destined to revolutionize the condition of the world. It becomes the United States, therefore, looking to their security, to adopt a similar policy, and the plan suggested will enable them to do so at a small comparative cost."

President Polk said in a message to Congress:

"The enlightened policy by which a rapid communication with the various distant parts of the world is established by means of American-built steamers would find an ample reward in the increase of our commerce and in making our country and its resources more favorably known abroad; but the national advantage is still greater of having our naval officers made familiar with steam navigation, and of having the privilege of taking the ships already equipped for immediate service at a moment's notice, and will be cheaply purchased by the compensation to be paid for the transportation of mail over and above the postage received. A just national pride, no less than our commercial interests, would seem to favor the policy of augmenting the number of this description of vessels."

STEAM MAIL-PACKET SERVICE.

[Speech of Mr. Thomas Butler King, of Georgia, House of Representatives, July 19, 1848.]

Mr. King presented a full statement of the British policy of mail subsidies from 1839 to 1848, and then showed how the American plan of keeping ships of war on the stocks at naval stations in readiness for service had proved a failure. He then went on to say:

"The plan for increasing the Navy which I propose to substitute for the one which we have so long and so unprofitably pursued is, first, to encourage the establishment by private enterprise, under the auspices of the Government, of as many lines of steam mail packets as our commercial intercourse will warrant and sustain. I have no doubt that we may employ in this way from twenty-five to thirty steamers of the largest class, which will be kept in repair by the contractors and be at all times liable to be taken into the service of the Government at a fair valuation. It will be the interest of the contractors to adopt, from time to time, all the improvements which may be made in machinery and the means of propulsion. We shall avoid the expense of mistakes in construction and machinery. These vessels will contribute largely to the extension and increase of our commerce, and will be infinitely more efficient in protecting our coast in the event of war than all the fortifications we have constructed, or may construct, at twenty times their cost."

"In the discussions which have been occasioned by the appropriation asked to meet the contracts for this mail service, it has been argued that it is quite unnecessary for the Government to contribute in any degree to sustain it; that private enterprise, if left untrammelled by Government schemes and legal enactments, would sustain itself against all foreign competition. To show the fallacy of this reasoning it is only necessary to state a few facts connected with the recent voyage of the steamer *United States* to Liverpool. The price of freight from Liverpool to New York, as established by the Cunard Line, is £7 per ton, and the price of passage £30 per head. While the *United States* was in dock at Liverpool the agents of the Cunard Line, to prevent freight and passengers going on her, reduced the price of freight by the *Hibernia* to £4 per ton and £2 10s. by the *Niagara*, and they offered to take passengers as low as £12 each. It was announced at the same time, in Harden's Liverpool Circular, that the old rates would be resumed immediately after the departure of the American ship. The British line, sustained by the Government, was enabled to adopt this course with impunity in competition with a ship sustained by individual enterprise alone."

"And it must, I suppose, be admitted that our own citizens, if not aided in undertakings of this sort by their own Government, would be quite incapable of competing for any considerable time with so powerful an opposition. This being the case, it must be apparent to anyone who will investigate the subject that in a very short time the most valuable portion of our carrying trade would pass into the bottoms of these British mail packets. The steamer *United States* is strictly a private enterprise. She has proved herself the fastest ocean steamer in the world, and has a greater capacity for the accommodation of passengers and for carrying freight than any commercial steamer hitherto constructed; yet, unaided by the Government, and having such powerful rivals to contend against, she must prove a ruinous undertaking to the owners. It was in view of this state of facts that I offered my second resolution."

Hon. Thomas Butler King, of Georgia, in 1848:

"It is sufficient to show that they [the British statesmen] are resolved, as far as practicable, to monopolize the intercourse between these two important points. This movement shows clearly that the time has arrived when we must decide whether we will yield this essential branch of navigation and this indirect means of extending our naval armament to our great commercial rival, or whether we shall promptly extend to our enterprising merchants the necessary

means to enable them to bring American energy, enterprise, and skill in successful competition with British sagacity and capital. Of all the lines of steam packets which cross the Atlantic, not one is owned in Europe, and it is not doubted that American merchants, properly encouraged, will assuredly excel in them as they have done in sailing vessels; and when we reflect that this may be accomplished to the mutual advantage and advancement of our commercial and military marine, it would seem that no statesman ought to hesitate for a moment to give his support to a measure which is demanded alike by prudence and the necessities of our position."

Hon. Thomas Butler King, of Georgia, in 1849:

"Great Britain is thus enabled by combining commercial enterprise with her naval armaments to keep afloat a steam force more than equal to one-half of our ships in commission and to maintain twenty of these powerful steamers in constant and active service at a cost of \$1,000,000 annually. By the Cunard and 'West India' lines of mail steamers Great Britain maintains rapid and certain communication with her colonies on this side of the Atlantic, the United States, Mexico, and her fleets in the Pacific Ocean."

"In the event of war she could readily command this force and concentrate it at any point upon our Atlantic or Gulf coast; and our vast commerce, valued at some \$200,000,000, would, without suitable preparation on our part, fall a prey to her arms. It is mortifying to reflect that this force, which may become so formidable against us, is in a great degree supported by the intercourse growing out of our own commercial enterprise. While our commercial marine is unrivaled and our sails whiten every ocean and our steam marine at home is superior to that of all other nations, we have been left in the distance and outmaneuvered by our great commercial rival in the employment of steam upon the ocean."

"If it be asked why Great Britain has thus taken the lead of us in ocean steam navigation while we are so greatly superior in domestic steamers and sailing ships, the answer is that she has anticipated us through the extension of her mail system to foreign countries in combination with her naval arrangements, thus rendering it almost impossible for mere private enterprise to enter into competition with her."

"France has also become alive to the importance of this great system, and her minister of finance has been authorized to treat with companies for the establishment of lines of steamers to Brazil, Habana, New York, La Plata, La Guayra, and such ports in the Gulf of Mexico and the Antilles as may be designated by royal ordinance."

Mr. King had been advocating the expenditure of a million dollars a year for ocean mail service—two lines, one from a northern and one from a southern port to Europe, and two lines to the West Indies and the Isthmus of Panama—the steamers carrying the mails to be built on designs approved by the Navy Department and held at the disposal of the Government in war."

Hon. Lewis Cass, of Michigan, in the United States Senate, May 7, 1852:

"If the line we have established between this country and England should be now abandoned, I take it for granted that the business would be done by the British line. In that event the postal treaty would probably be terminated by notice, which each Government has the right to give, and the postage would be raised at least as high as it was before the reduction occasioned by the results of competition. The same freights of valuable goods would be carried as now, but at enhanced rates of transportation. Therefore, in a financial point of view, it seems to me that there are many considerations that weigh against the abandonment of this line."

Hon. George E. Badger, of North Carolina, in the United States Senate, May 6, 1852, in the debate on the Collins and Cunard steamship services:

"Mr. President, the question submitted for the consideration of the Senate is, we all admit, a question of high and controlling importance. It has been said in the course of this discussion that the contest between these two lines is now becoming a national contest between this country and Great Britain. I desire to amend that statement. From the very moment of the institution of the Collins Line it was a national contest. It has not recently assumed that character. It was always borne it. The enterprise was very far indeed from being in fact, or from being regarded by the country, as a mere contest between two rival companies as shipowners. It was one great active contest in that mighty drama for the mastery of the seas—for superiority in everything that belongs to strength, speed, effective power, and success for war and for commercial purposes, which long has been and ever must be the mightiest contest between this country and Great Britain. After having entered upon this peaceful and at the same time most important contest, the question presented to the American Congress now is, whether we shall dishonorably retrace our steps, whether, when the band is stretched out to seize the crown of victory, we shall voluntarily forget our advantages, retire from the high and eminent position we now occupy in the eyes of all the civilized world, and voluntarily surrender that which to obtain and perpetuate Great Britain would without any hesitation sacrifice a hundred times the amount of money which is involved in the question now before the Senate."

Hon. Thomas J. Rusk, of Texas, in the United States Senate, March 3, 1853:

"I know that this granting of an increased compensation to these vessels has been a fruitful theme for stump speeches all over the United States, but the system has made an advertisement throughout every sea that the Americans are the best shipbuilders in the world and have distanced their rivals. More than that: It has given you twenty-eight or thirty steamships, fit for war purposes, without additional expense to your Navy, for one-tenth of the sum for which you could build and maintain them in your Navy proper. We owe it to American industry and enterprise, to the hardy citizens of our country, to maintain the system. And we owe it to our national defenses, in my opinion, to maintain it."

Hon. James Shields, of Illinois, United States Senate, May 6, 1852:

"While the competition was between the American people and the English people the American people were successful; but when the English Government and the English people, united with the immense capital of their country, have devoted the whole energies of that nation to the building up and monopolizing of the steam power of the world, it is idle to talk about American citizens entering into competition with them. It is out of the question. You will have to bring home your lines and confine yourselves to your own inland trade and to your interior commerce. But never again, in my humble opinion, if you abandon this line, can you enter into competition with Great Britain on the ocean so far as steam navigation is concerned. Her Government and her people and her capital all unite in sustaining her lines."

Hon. Volney B. Howard, of Texas, House of Representatives, July 6, 1852:

"The support of the Collins Line, therefore, is not a mere local question. It is of direct interest to every man who grows a bale of cotton or consumes a pound of foreign goods or produce. The subject of cheap freights is also one of vital importance to the great Southwest and Northwest. It is to determine whether corn, flour, and other provisions can be exported to Europe to any great extent for a series of years when the crops are not short on the other side of the Atlantic. It involves the question of cheap bread to the tolling and starving millions of the Old World in exchange for clothing for the men of the New. It is a question of no ordinary moment to both, and especially to the exporters and producers of provisions in the Western States. Let their Representatives look to it. As soon as the Collins Line is withdrawn the Cunarders will raise freights to the price they bore previous to the competition created by the American steamers."

"Not only is the South especially interested in this subject as a question of freight, but in the continuance of the system, as it affects her own commerce and navigation. There is no doubt that the great eastern cities, if the British Government did not interpose to support English competition, might establish and maintain a line of steamers to Liverpool. But the southern cities have not at present sufficient commerce to enable them to sustain any line of steamers to a foreign port without the mail pay of the Government. Two or three southern lines have been projected, all of great importance to the country if they can be sustained. I allude especially to the one from New Orleans to Veracruz, and from some southern port to the mouth of the Amazon."

Hon. James A. Bayard, of Delaware, in the United States Senate, May 10, 1852, on Collins steamship subsidy:

"Mr. President, free trade, even by those who advocate it to the utmost extent, must be founded upon the doctrine of reciprocity. Reciprocity is the doctrine of our Government. It is true that foreign governments may force you, by their action, into a course of policy which, if they abstained from action, would be unwise on our part. I am willing to trust American skill and American industry in competition with any people on the globe, when they stand nation opposed to nation, without governmental interference. But if the treasury of a foreign nation is pouring into the laps of individuals for the purpose of destroying either the iron interest of my country or for the purpose of building up the commercial marine at the expense of the commerce and prosperity of the United States, I for one will count no cost in countervailing such governmental action on the part of Great Britain or any other foreign power."

"The necessary result, if you refuse this appropriation, will be the abandonment of the line. Its abandonment yields to Great Britain the entire postal service between England and America certainly, and between a great part of the continent of Europe and America; for if this line goes down your other lines of ocean steamers must follow it. Its abandonment yields to her the entire transportation of passengers, except emigrants. It yields to her a tax upon American industry and upon American property in the shape of freight upon light and costly goods. With success just achieved I am not willing to surrender this prize to the English Government, to which they attach so much importance, and which, if not unprotected in the contest, we are just on the eve of dividing with them. I bear no hostility toward England peculiarly, but whenever I find that the honor, the reputation, the pride, and character of my country is concerned, or her interests, I would assert them without regard to cost, and the more certainly against a haughty and overbearing power like England than against a feeble state. Sir, withdraw this appropriation, let this line be abandoned, and can you tell me that it will not pass into the hands of a foreign government? That it will not pass into the hands of your commercial rivals?"

"What would be the feelings of Senators who now oppose this appropriation if, at a future day, in the contingency of war, these derided vessels should make their appearance on your coast with the British flag flying at their foremast and aid in the devastation of your country and the destruction of your commerce? Such a thing is entirely within the range, not of imagination, but, I may say, within the range of probability. If you determine that you will abandon this line, you compel the sale of these magnificent steamers, which have been built at so much cost, in pursuance of the policy indicated in your act of 1847, and you know not to whom that sale will be made. It is from these feelings, and because the deliberate result of my own judgment on this appropriation is that it is a national matter, in which the national interests, national honor, national pride, and national reputation are deeply concerned, I am unwilling, for the sake of \$300,000 or \$500,000, or for any cost, even though it reach millions, to sacrifice them and give the ascendancy in this contest to Great Britain. Admitting the amount to be requisite and the principle of relief in accordance with a wise policy, I shall vote for the amendment as reported by the committee."

(In 1856 the mail subsidy system was broken down. By 1858 this repeal of the previous laws was entirely effective. The Collins Line went into bankruptcy. Its ships were laid up. One, the newest, largest, and finest—the *Adriatic*—was bought by a subsidized British company, and for many years held the Atlantic record under the British flag. The other American trans-Atlantic steamship lines were also abandoned. Commodore Vanderbilt and other shipowners tried to run trans-Atlantic steamers without postal subsidies, and failed. They could not compete with the subsidy of nearly \$900,000 paid by Great Britain to the Cunard Line. The American flag had practically vanished from the steam routes of the North Atlantic before the breaking out of the civil war.)

SHIP MATERIALS ALREADY FREE.

All materials of every kind required for the construction, equipment, or repair of vessels built in this country for the foreign trade or for the long-voage coastwise trade between our Atlantic and Pacific seaports are free of duty under sections 12 and 13 of the free list of the Dingley tariff, as follows:

"DINGLEY TARIFF FREE LIST.

"SEC. 12. That all materials of foreign production which may be necessary for the construction of vessels built in the United States for foreign account and ownership, or for the purpose of being employed in the foreign trade, including the trade between the Atlantic and Pacific ports of the United States, and all such materials necessary for the building of their machinery, and all articles necessary for their outfit and equipment, may be imported in bond under such regulations as the Secretary of the Treasury may prescribe, and upon proof that such materials have been used for such purposes no duty shall be paid thereon. But vessels receiving the benefit of this section shall not be allowed to engage in the coastwise trade of the United States more

than two months in any one year, except upon the payment to the United States of the duties of which a rebate is herein allowed: *Provided*, That vessels built in the United States for foreign account and ownership shall not be allowed to engage in the coastwise trade of the United States.

"Sec. 13. That all articles of foreign production needed for the repair of American vessels engaged in foreign trade, including the trade between the Atlantic and Pacific ports of the United States, may be withdrawn from bonded warehouses free of duty under such regulations as the Secretary of the Treasury may prescribe."

Under this law not only steel plates and shapes, but articles of equipment so elaborate and costly as ships' compasses have been imported free of duty for the use of vessels built in this country for the foreign trade and for the coastwise trade between the Atlantic and Pacific.

Nor are there any difficult customs regulations in the way. Arthur Sewall & Co., of Bath, Me., who imported from Great Britain duty free all of the steel plates, shapes, etc., for the construction of a large steel ship, the *Dirigo*, state that so far as the passing of these free materials by the Treasury officials was concerned, there was no trouble whatsoever.

The law is as liberal as it could possibly be made. Nothing which Congress by statute could do to give American shipbuilders the widest freedom of materials for ships for ocean commerce has been left undone. The only criticism which could be made of this free-material legislation is that it is only partially applicable to ships for the coastwise trade—a trade in which American vessels are not subject to competition with foreign ships, because foreign ships are and long have been absolutely prohibited under penalty of forfeiture from carrying freight from one American port to another.

THE COASTWISE RESTRICTION.

But this free-material privilege does apply unconditionally to the important coastwise trade in large and valuable ships between American ports on the Atlantic and American ports on the Pacific Ocean. This coastwise traffic, already a large one, will be increased many-fold by the completion of the Isthmian Canal. Under existing law ships built for this great coast trade through the canal can be constructed, equipped, and repaired entirely with free materials.

Moreover, ships built of free materials can, under existing law, be employed for two months in a year in the general coastwise trade of the United States. This apparent exclusion of free-material ocean ships from the coastwise service for ten months in a year is more of apparent than of real importance. Vessels adapted to ocean service and the long-voyage foreign trade as a rule are not suitable in size, draft, and general arrangement for the ordinary coastwise service, and would not engage in it in any event unless they were driven out of the ocean service for which they were especially designed.

It has happened of recent years in a very few instances that American ocean vessels, forced out of the foreign trade by foreign subsidies or cheap wages, have fallen back upon the coastwise trade, and have found in certain shorter voyages at least the limitation of two months on free-material ships caused some inconvenience. But if there were a law for the encouragement of American shipping in the foreign trade, like this bill for the establishment of great ocean mail lines, American ocean vessels, having a fair chance in the foreign trade, would not fall back into the shorter coastwise voyages for which they were not designed and are not especially adapted.

"FREE MATERIALS" NOT ENOUGH.

One reason why larger use has not been made in this country of the free-material privilege for ocean shipbuilding is that our laws give no real adequate encouragement to shipowners to employ ocean ships after they are built. Since June, 1901—five years ago—not one order for a steamship for over-seas commerce has been given to any yard in the United States, with the exception of four steamers constructed in the Cramp yard at Philadelphia for the Ward Line to the West Indies and Mexico—a line receiving a moderate mail subvention under the ocean-mail law of 1891. Two of these four steamers, by the way, were built to take the place of two similar liners purchased by the Government.

Yet during all this time, and for years before, any shipowner or builder who desired to send to Scotland for his steel plates and shapes and other materials, not only for the construction but for the equipment and repair of a vessel for the deep-sea trade or for the coastwise trade between our Atlantic and Pacific ports, could have brought in such materials by the shipload, and received a rebate of every penny of the duty. If our ocean fleet has not increased, it has not been for lack of free access to the free materials of the world; it has not been because of the "extortion" of any trust or the "barriers" of a protective tariff.

The truth is that "free materials" alone, as has so often been demonstrated, are not a determining factor in the prosperity of any industry. Take, for example, the manufacture of cotton fabrics. The raw cotton of which they are made is on the free list, for the good and sufficient reason that the United States has had almost a natural monopoly in the production of this important fiber. But nobody has assumed that free cotton was all that was required to make cotton manufacturing prosperous. On the contrary, the cotton manufacturer of New England, the Carolinas, Georgia, and Alabama is protected and encouraged to use this free cotton by tariff duties on the finished product ranging from 25 to 50 per cent ad valorem. But the ocean shipowner has no protection at all.

A PARALLEL INSTANCE.

To put the case in another way: Suppose that the pig iron, the steel, and other materials required for the making of textile machinery were admitted free of duty. Would it be seriously contended that because there were free materials for the making of the machinery of his trade the cotton manufacturer ought therefore to be deprived of all of his tariff protection of 25 to 50 per cent and be compelled to compete under free-trade conditions with the cotton manufacturers of Europe? Dose anybody imagine that if all protection were thus stripped away from the cotton-manufacturing industry there would be much of a demand for new looms, or that very much cotton weaving or spinning machinery would be constructed of free materials or of any other kind of materials in the United States?

The ship is the machinery of the shipowner's trade, just as the loom is the machinery of the trade of the cotton manufacturer. If the manufacturer of cotton were denied all protection and encouragement in this country, he would dismantle his mill and either quit the trade altogether or invest his capital and his skill in manufacturing in Europe.

This is exactly what has been done by some American shipowners. Denied protection at home on their industry of ship sailing and management—that is, on the use of the machinery of their trade—the mere fact that the materials of this machinery can be imported free of duty has proved of absolutely no avail. These shipowners have transferred their capital and their skill to foreign shipping. They have taken advantage of the cheap wages and sometimes of the subsidies of Europe. They are operating ships built, officered, manned, supplied, and repaired by foreigners. Their dividends, if there are any, come to this country, but every dollar expended for labor goes abroad. Their money and their business ability are utilized to develop the shipyards and to strengthen the naval reserves of foreign governments—to create a great alien sea power which could be turned with terrible force against their own country in case of war.

Of course, most of the capital invested in foreign merchant marines is foreign capital, but Americans are part owners in foreign shipping estimated at upward of a million tons. It is a significant fact that the heaviest American owner of foreign ships—the American element in the International Mercantile Marine Company—has been compelled by the British Government to keep these ships beneath the British flag, to build their successors in the United Kingdom, to officer and man them with British subjects, and to maintain the executive control of British tonnage in British hands. Therefore, if a "free-ship" law were passed by the United States it would be entirely ineffective, so thoroughly clinched is this international fleet to its British allegiance.

TO MAKE FREE MATERIALS EFFECTIVE.

In order to make the "free-material" privilege genuinely effective, the United States Government must protect and encourage American shipowners, as it has long protected and encouraged American cotton manufacturers. This can not be done by the tariff, but it can be done, as the history of the whole maritime world demonstrates, by a careful system of ocean-mail subventions, like that proposed in this bill now before the House. It is under such a system as this that Japan has increased her merchant fleet from about 300,000 tons to 1,000,000 tons within a decade. And Japan, unlike the United States, had no shipyards to begin with, no maritime traditions, no experience in long-voyage navigation, no great bodies of skilled labor.

All foreign shipowners, all foreign manufacturers and merchants, all foreign governments, dread the application of the protective principle by the United States to the one great American industry exposed to foreign competition which has thus far remained unprotected. They know well that protection, once adequately applied to American shipowning, will do what it has done for American manufacturing. It is probable that the chief hope of the enemies of the American merchant marine is to obstruct the proposed legislation by exploiting the idea that these subventions, if paid, would largely go to enrich the steel trust, which could charge extortionate prices for the materials of which new American ships were built. Therefore, a thorough understanding of the real facts of the case is of very great importance.

A MISUNDERSTANDING CORRECTED.

There have been some statements that American steel makers were selling ship steel abroad at a lower price than to American shipbuilders. The most explicit and authoritative assertion to this effect was that made on June 28, 1904, by Mr. James C. Wallace, then vice-president of the American Shipbuilding Company (engaged exclusively in lake work) before the Merchant Marine Commission at Cleveland. (Volume II, page 811 of the hearings of the Commission.) Mr. Wallace said:

"Recently one of our largest steel mills sold abroad 100,000 tons of steel plate. They delivered it, I understand, at Belfast at \$24 a ton. That would practically mean, with ocean rates as they are, \$22 a ton at lake water. They are charging us to-day at Pittsburgh \$32 a ton."

A little further on:

"Representative GROSVENOR. I want to know who bought the steel you speak of?"

"Mr. WALLACE. The Harland & Wolf Company, Belfast."

"Representative GROSVENOR. From whom did they buy it?"

"Mr. WALLACE. The United States Steel Corporation."

In one or two other hearings of the Merchant Marine Commission similar statements were made by other persons, but nowhere so definitely as at Cleveland. It has since appeared, however, that all these witnesses were misinformed. On April 11, 1906, Judge Gary, chairman of the board of directors of the United States Steel Corporation, was questioned directly before the House Committee on Merchant Marine and Fisheries as to this testimony of Mr. Wallace. Judge Gary said:

"I notice that Mr. Wallace apparently speaks from information. If he had such information, it was entirely unreliable. The statement is not founded in fact. The companies in which we are interested sold no ship plate in 1905 to Europe, only a little over 3,000 tons in 1904, not any in 1903, and, I think, not any in 1902." (Page 275 of the Hearings before the Committee on the Merchant Marine and Fisheries, April 4 to 13, 1906.)

THE ACTUAL FIGURES.

Further on Judge Gary declared that "the export prices of ship plate at the present time are nearly equal to the domestic prices." There is specific proof of this fact in figures submitted by ocean shipbuilders to Senator J. H. GALLINGER, chairman of the Merchant Marine Commission. While the shipping bill was being considered by the Senate, before its passage, Chairman GALLINGER wrote to two great shipyards on the Delaware River, asking what was the actual difference in cost between American and foreign ship steel, and what proportion this constituted of the cost of the completed vessel.

These were the replies received:

THE WILLIAM CRAMP & SONS SHIP
AND ENGINE BUILDING COMPANY,
OFFICE OF THE VICE-PRESIDENT,
Philadelphia, January 15, 1906.

DEAR SIR: Referring to your letter of the 11th instant, requesting to be informed as to the number of tons of steel plates and shapes required for the construction of each of four such steamers as we are now building for the New York and Cuba Mail Steamship Company, and how much more the steel would cost if purchased at the ruling prices in this country than if imported from Great Britain, I beg to state as follows:

The amount of steel plates in one vessel is 1,900 tons and the amount of steel shapes in one vessel is 990 tons.

Recently, by reason of the rapid rise in the prices of materials in Great Britain, the foreign builder pays almost as much for plates and

shapes as we do; in fact, the difference in cost between steel purchased in this country and abroad for vessels of this size would be as follows:

Plates \$5,328
Shapes 5,880

making a total saving of \$11,208 in the material purchased abroad. The steamers referred to will cost complete upward of \$900,000 each; so that the difference in the cost of their steel plates and shapes between here and abroad represents only a little more than 1 per cent of the total value of each steamer.

Where vessels have been intended for the foreign trade alone the various steel interests have offered to sell us the materials at the best export prices.

Very truly, yours,

EDWIN S. CRAMP, Vice-President.

Hon. JACOB H. GALLINGER,

Chairman Merchant Marine Commission
of the United States, Washington, D. C.

NEW YORK SHIPBUILDING COMPANY,
Camden, N. J., January 16, 1906.

SIR: In response to your inquiry of the 11th instant, I beg to say that the last quotation which we have on foreign steel was under date of November 20, 1905, when we obtained prices for the purpose of quoting on a steamer to be built under sections 12 and 13, free list, Dingley law. It was afterwards decided to build the steamer abroad.

The foreign and domestic prices at that date appear below. I may add that the domestic prices of steel are the same at the present time, and I am not advised whether there has been any change in the foreign prices.

[Prices in cents per pound.]

Plates: Steel Company of Scotland, f. o. b. Philadelphia, in bond 1.73½
Shapes: Steel Company of Scotland, f. o. b. Philadelphia, in bond 1.64½
Plates: Domestic, f. o. b. Philadelphia 1.73½
Shapes: Domestic, f. o. b. Philadelphia 1.83½

Difference in cost of plates and shapes for a 500-foot freight and passenger steamer built of foreign and domestic steel at the above prices estimated as follows:

	Domestic.		Foreign.		Difference.
	Cost per pound.	Total.	Cost per pound.	Total.	
8,000,000 pounds plates	<i>Cents.</i> 1.73½	\$138,800	<i>Cents.</i> 1.73½	\$138,600	\$200
3,000,000 pounds shapes	1.83½	55,050	1.64½	49,350	5,700
Total		193,850		187,950	5,900

We would regard the above as a fair estimate of the amount of steel plates and shapes required in the building of a 500-foot steamer, but the amount, of course, would vary according to the type of vessel. A ship of this size would probably require from 4,500 to 5,000 tons. The completed value in this country of a vessel of this description would be about \$800,000 to \$900,000.

It is only fair to add that at the time the above foreign quotations were received ship plates and shapes were very high abroad, owing to the great activity there in shipbuilding.

Yours, respectfully,

S. M. KNOX,

Secretary and Treasurer.

Hon. JACOB H. GALLINGER,

United States Senator, Washington, D. C.

In the case of one yard, the difference in the cost of American and foreign material was only a little more than 1 per cent of the entire cost of the completed steamships; in the other yard, about one-half of 1 per cent. Thus both Mr. Cramp and Mr. Knox confirm the statement of Judge Gary that the domestic price and the foreign price of ship steel are very nearly equal. It should be understood that there is an advantage to the shipbuilder in procuring his materials at home, from the fact that he can be in closer touch with the domestic manufacturer a few hundred miles away than with the foreign manufacturer in Scotland, and that changes can be more quickly made and deficiencies rectified. American steel therefore is actually worth a somewhat higher price to American shipbuilders than are foreign materials.

Mr. Cramp, Admiral Bowles, and several other shipbuilders testified at length in April before the House Committee on Merchant Marine and Fisheries, and with the exception of one builder, who acknowledged that he had had no recent experience, these practical men declared that there was little, if any, difference in the price of ship steel between the American and the foreign article.

TESTIMONY OF MR. CRAMP.

Mr. Cramp's evidence on this point was as follows:

"In the case of an ordinary ship, whether it is a cargo boat or a merchant ship, about 33 per cent of its value is in the material that is delivered to the shipyards which the works themselves do not manufacture. That means plates and shapes. We make brass castings, but not the raw pig or the pumps and forgings. Now, in the present condition of prices we can purchase forgings in this country, notwithstanding there is a boom on and notwithstanding that labor is as high as ever it has been in the history of the country—we can buy forgings, steel castings, and such materials in this country for less money than abroad, and we get the other materials for practically the same price.

"Mr. WILSON. What part of the ship's castings and materials can you buy in this country cheaper than abroad?

"Mr. CRAMP. I said the forgings and steel castings.

"Mr. WILSON. What part of the value of the ship does that constitute?

"Mr. CRAMP. Of the materials that enter into the ship I have no details. The forgings represent a certain percentage of the vessel, but we never work it out that way. At present all of the materials that enter into the cost of the construction of a ship can be bought at the same price in this country as abroad. Many details we can buy for less.

"Mr. LITTLEFIELD. Does that mean f. o. b., or delivered here with freight added?

"Mr. CRAMP. That is without the freight added, but that is a very small item, being only about \$2.50 or \$3 a ton across the ocean.

"Mr. HINSHAW. Please make that plain. You say that a vast ma-

jority of the materials which enter into the construction of a ship can be bought in this country as cheaply, at least, as abroad?

"Mr. CRAMP. Yes, sir.

"Mr. HINSHAW. And some cheaper?

"Mr. CRAMP. Yes, sir. A few months ago Senator GALLINGER wrote us a letter and asked what difference it would make had we purchased abroad the materials for some of the Ward Line ships that are going to trade between New York and Cuba and Mexico, and we investigated the matter very carefully, and we found that a ship that would cost us \$900,000, the only difference in favor of purchasing abroad at that time was \$11,000, and since that time materials have risen over there and practically kept still here.

"Mr. WILSON. According to that there is practically no difference to-day between the cost of foreign-built vessels and American-built vessels?

"Mr. CRAMP. No, sir; the materials that enter into the ship.

"Mr. WILSON. There is no difference in the materials?

"Mr. CRAMP. No, sir.

"Mr. GOULDEN. Does that apply to the coastwise steamers?

"Mr. CRAMP. Yes, sir.

"Mr. GOULDEN. There is no difference whatever?

"Mr. CRAMP. No, sir; but there have been times when the prices went up. For instance, the effect of the steel corporation during the last three or four years has been to steady the price for the market. Previously, in 1896, the price of steel went down under the influence of bad times to 1 cent a pound, the lowest price ever known in this country and very much lower than in England. That was caused by the depression following the panics of 1893 that carried so many steel companies into bankruptcy.

"Mr. GOULDEN. The average cost of the materials that enter into the coastwise steamers is about the same here as abroad?

"Mr. CRAMP. Yes, sir.

"Mr. SPIGHT. At this time the cost of material is no more in this country than in foreign yards.

"Mr. CRAMP. Yes, sir.

"Mr. SPIGHT. And the only difference in the cost of construction in American yards and foreign yards is the labor?

"Mr. CRAMP. Yes, sir; absolutely.

"Mr. SPIGHT. How much is that difference?

"Mr. CRAMP. Practically double.

"Mr. WILSON. What is the cost of the material in a million-dollar ship in this country?

"Mr. CRAMP. It will be from 30 to 35 per cent.

"Mr. WILSON. That is the cost of the material?

"Mr. CRAMP. Yes, sir; and labor is the other two-thirds.

"Mr. HUMPHREY. The material delivered to your yard?

"Mr. CRAMP. Yes, sir. Of course, you must remember that of the 35 per cent we purchase about 95 per cent of that is labor at the other places where they are manufactured."

(Pages 210-211 of the hearings before the Committee on Merchant Marine and Fisheries, April 4 to 13, 1906.)

STATEMENT OF ADMIRAL BOWLES.

Admiral Francis T. Bowles, formerly chief of the Bureau of Construction of the United States Navy, and now president of the Fore River Shipbuilding Company at Quincy, Mass., also made a careful statement as to the cost of materials before the House committee, saying:

"There have been various questions raised here about the influence of the cost of structural steel upon our present situation. I have had an instance within my own knowledge of the building of a vessel in our shipyard from English plans, in which I knew the exact cost of that vessel in an English yard. We took the greatest pains with our ship, not only to keep an accurate account of the cost, but to keep it as low as possible. The actual facts there were that that ship cost us 50 per cent more in our own yard, the cost being kept exactly in the same way as it was on the other side.

"Mr. GOULDEN. How long ago was this? When did this occur?

"Mr. BOWLES. It was for a ship completed last December.

"Mr. GOULDEN. December, 1905?

"Mr. BOWLES. Yes.

"Mr. SPIGHT. I understood you to say a while ago, Admiral, that the difference in the cost of wages and the cost of materials was about equal. Did I understand you correctly?

"Mr. BOWLES. No; I did not make that statement.

"Mr. HINSHAW. This difference of 50 per cent is almost entirely in the wages, is it?

"Mr. BOWLES. I am unable to state exactly, but from what I can find, the wages in our yard are from 50 to 75 per cent higher than they are in the English and Scotch shipyards.

"With regard to materials at the present day, the state of affairs is this: Steel delivered in an English shipyard costs from 15 to 20 per cent less than ours at the present time. On other materials the difference is greater. I want to keep my percentages applied in the same way, so I will say this: The cost of steel delivered in our shipyard is from 15 to 20 per cent greater than the price to-day of steel delivered in an English shipyard.

"Mr. HINSHAW. By English manufacturers?

"Mr. BOWLES. By English manufacturers. For the English steel delivered in our yard the price is almost exactly the same to-day as if we bought it in Pittsburgh.

"Mr. GOULDEN. Delivered on the ground?

"Mr. BOWLES. Delivered on the ground.

"Mr. GOULDEN. In both cases?

"Mr. BOWLES. In both cases.

"Mr. WACHTER. What makes that difference, Admiral?

"Mr. GOULDEN. There is not any difference.

"Mr. BOWLES. The difference between the cost—

"Mr. WACHTER. Delivered in London.

"Mr. BOWLES (continuing). Delivered in our yard and delivered in England is covered by the freight and insurance and transfer.

"Mr. WACHTER. But the difference over there, the reason they can deliver it so much more cheaply to the English yard than our manufacturers can to our yards, is because of the difference in the cost of labor, is it not?

"Mr. BOWLES. Yes. Now, the price of steel has not a great influence upon the cost of the vessel, which you can see from the fact that in an ocean-going steamer the proportion of the cost of the structural steel to the whole cost is about 15 per cent. A small variation in the price of steel will, therefore, you see, produce a very small variation in the total cost of the ship.

"Mr. SPIGHT. Admiral, did I understand you to say that the cost of English steel in our yards is about the same as the cost of American steel?

"Mr. BOWLES. Yes, sir.
 "Mr. SPIGHT. And yet in the British yards English steel costs from 15 to 20 per cent less than ours?
 "Mr. BOWLES. Yes.
 "Mr. SPIGHT. Now, why is that?
 "Mr. BOWLES. That is because that difference to us would be absorbed in freight, insurance, and handling.
 "Mr. SPIGHT. It would cost 15 or 20 per cent to get it here?
 "Mr. BOWLES. Yes."

(Pages 415, 416, and 417 of the Hearings before the Committee on Merchant Marine and Fisheries, April 4 to 13, 1906.)

These expert witnesses emphasize not only the fact that there is very little difference in cost between the American and the foreign ship steel, but also the fact that the cost of materials is of minor consequence anyway, and that the price of a ship is made up chiefly—two-thirds, Mr. Cramp testified—of the cost of the labor employed in working up the materials and putting them together. To protect and encourage American ocean shipping, therefore, means to benefit American labor and not to enrich the steel trust.

THE REAL DOMINANT FACTOR.

As the Merchant Marine Commission has summed up the question in its memorandum, "Ship materials already free:"

"It is not the price of materials, or only that in relatively small part, which makes an American vessel cost more than a British vessel. The dominating factor is not the materials, but the wages of the skilled workman who fashions the plates, beams, etc., into the finished ship."

"Yet this does not mean that American ships will always cost more than British ships. There was a time when American locomotives and railway bridges cost a great deal more than British locomotives and bridges, but that was before locomotive and bridge builders in this country had gathered experience, practiced standardizing, and achieved all the economies of large production. Now we manufacture locomotives and bridges and sell them in competition all over the world. When, by firm and adequate encouragement to shipping, we develop shipbuilding also to a manufacturing business, high wages paid to workmen in constant, not spasmodic, employment will not prevent a steady output of ships as low in cost as they are efficient and economical in operation."

THE FARMERS AND AMERICAN SHIPPING.

NATIONAL GRANGE, PATRONS OF HUSBANDRY,
 Concord, N. H., January 26, 1907.

SIR: I regret the duty which devolves upon me to advise you, on behalf of the great national organization of farmers which I have the honor to represent, that the farmers of the nation are for the first time unitedly and steadfastly opposed to the legislative recommendations you have made to Congress in your recent message favoring ship subsidies. For ten consecutive years the Patrons of Husbandry in their national and State conventions have registered their opposition to such legislation. That we have in this opposition the support of a very large majority of the manufacturing and business interests of the nation was evident from the overwhelming defeat which the advocates of ship subsidies met in their efforts to commit the recent convention of the Association for the Advancement of Foreign Commerce of the United States to an indorsement of their ideas. The vote in favor of ship subsidies in that convention, when a standing vote was demanded, was only 41 in a total of over 300 voting delegates present.

We believe it would be impossible for the measure now before Congress to pass the House without the influence of your support. If it is to become a law, we would respectfully submit that the principle of the "square deal," with which your name is so honorably associated, requires that an amendment should be added providing for enforced public accounting of any business or corporation for which such subsidies or subventions are asked, and that no moneys should be paid out of the public Treasury for such purposes without such public accounting and which such public accounting did not show such assistance was necessary to make the business profitable.

We protest most urgently against any future payments of the public funds to any private firm or corporation for any purpose whatsoever without safeguarding such payments by such public accounting of the business of the person, firm, or corporation to whom such payments are to be made, and we most respectfully urge that such public accounting be made a part of any such bill before it receives your approval.

Respectfully submitted.

N. J. BACHELDER,

Master National Grange Patrons of Husbandry.

The President, Washington, D. C.

CHAIRMAN GROSVENOR'S REPLY.

DEAR SIR: The President has brought to my attention your letter of January 27, protesting, on behalf of the National Grange, against the shipping bill which has been reported favorably to the House of Representatives by the Committee on Merchant Marine and Fisheries, of which I am chairman.

This is a bill to protect and encourage a part at least of our merchant marine exactly as the Dingley tariff protects and encourages American farmers. I believe in this policy and so, I assume, does a Republican ex-governor of New Hampshire. I believe that a very great majority of the members of the National Grange approve it. Free traders twenty-five years ago used to urge that American farmers needed no protection and could not be benefited by protection. That argument is dead. If the shipowners and sailors of Boston, Philadelphia, or San Francisco came before Congress to demand free wool from Australia and Argentina, free flour from Manitoba, and free dairy products, vegetables, meats, and cattle from Ontario, Quebec, and Nova Scotia, the master of the National Grange, with American farmers solidly behind him, would denounce this as egregious selfishness, and so it would be.

Now, American ship builders and owners and the men who work for them in their shipyards and on their ships have just as good a right to their share in the protective policy as you or I have. Their calling is just as dear to them. They are as absolutely dependent on it for their livelihood. Unfortunately they can not be protected by the tariff, and as a result those of them engaged in the deep-sea trade—one of the manliest, most noble, and most indispensable of all callings—have been left unprotected for half a century by our Republican Government. As a result, this is the only industry which has declined, as it has done almost to the point of destruction.

Now, apparently you would go further and annihilate it by absolutely

denying all protection and encouragement. You would make a waste place of our last shipyard and drive our last shipowners and seamen and shipyard mechanics to choose between the poor house and foreign lands. How would you like it if, because of national neglect, American farmers, who were supplying 90 per cent of the farm products consumed by this country, were, through foreign subsidies, bounties, cheap wages, and the neglect of their own Government, brought down to a miserable 10 per cent? How would you like it if the Dingley tariff duties on agricultural products were removed and Canadian farmers, with their cheap labor and cheap lands, supplied the markets of Boston and other New England cities and bankrupted nine out of ten of your New Hampshire farmers? And if when the President of the United States recommended legislation that in some degree would relieve this situation and restore your industry the people of Boston and Portland and other towns who live by and on the sea should send a protest to the President and Congress against this and demand a continuance of the free-trade policy which had destroyed you?

That is exactly what you are doing now against your brethren, the ship owners and builders, the shipyard workmen and sailors, of New England and America.

You are doing it doubtless without intending to do so, and through a sheer misapprehension of the facts. You are permitting your prejudice against former shipping bills to warp you against this one. This is not a general ship-subsidy measure. It is a bill to extend our present inadequate policy of postal payments to regular steamship lines, so that we shall have ocean mail lines of our own to South America, Australia, Japan, China, and the Philippines. To the Orient we have a few ships running, but in most cases the complete lines provided for by this bill will have to be established from the beginning, and as many as twenty-five or thirty new steamships will have to be built under the inspection of the Navy Department as auxiliary cruisers, their owners contracting to turn them over to the Government in war. There is nothing experimental about this. It is the policy of all nations, including free-trade England.

It is the policy of our own nation as embodied in the ocean mail law of 1891, which has created American lines to Europe, the West Indies, etc., but not on the long routes to South America and the Orient.

These lines of American steamers proposed in this bill will benefit the farmers of the National Grange relatively more than any other class of Americans except the shipowners, builders, and seamen, because you supply the greatest proportion of our exports to foreign lands. This makes all the more incomprehensible your opposition to such a policy. There has been evidence before our committee that a foreign steamship trust was ousting our farmers from our markets in Brazil and elsewhere, and was substituting for their products the flour of Austria-Hungary and Argentina.

Because foreign nations have ships and we have almost none Australian farmers are enabled to drive us out of the flour market of the Orient. In other words, these foreign steamship monopolists are deliberately robbing the farmers of America, exactly as they did in the Boer war, when they took their best steamships out of our ports to carry troops out to crush the struggling republics of South Africa, or as when they turned their fast steamers over to Spain to "burn, sink, and destroy" our commerce in 1898. It is these foreign steamship companies, drawing a revenue of \$200,000,000 a year from our carrying trade, besides their own enormous subsidies, who are the real bulk of the opposition in this country to the American merchant marine. Why the National Grange should side with these foreigners, who are despoiling them, in fighting against American shipping is something which nobody has ever been able to understand in Washington.

I believe that if all the facts of the case were laid before the farmers of America and they were made to understand the character and purpose of this present shipping bill they would stand by the President, support the Administration, and indorse this bill by an overwhelming majority. But they do not yet know the facts. Naturally the business of ocean shipowning and sailing is as strange and unfamiliar to them as the great industry of agriculture is to the Pennsylvania ship-builder or the New England seaman. There is absolutely no reason why the farmers of this country should look upon this question differently from the manufacturers or merchants or business men in general.

You say in your letter to the President that in opposing the shipping bill you have the support of "a very large majority of the manufacturing and business interests of the nation." You are absolutely mistaken. There are in the files of the House Committee on Merchant Marine and Fisheries and in the public records of Congress reiterated and emphatic declarations from the greatest commercial bodies of the country in favor of national aid to the merchant marine, and specifically in favor of much broader and more liberal measures than that now pending in the House of Representatives. These declarations have come from the National Association of Manufacturers, the National Board of Trade, the American Bankers' Association, the American Cotton Manufacturers' Association, the Trans-Mississippi Commercial Congress, and from commercial associations of both seaboard and the interior cities. Only the other day the Massachusetts State Board of Trade explicitly approved this present measure by number and by title.

And that very convention for the promotion of foreign commerce which you state as having denounced ship subsidies actually indorsed the bill reported from my committee in these words:

"We believe it imperative that the American merchant marine should be reestablished, and that new steamship lines of direct and speedy communication should be opened, especially with South and Central American and Asiatic ports, for the proper extension of our commerce. To this end we recommend liberal compensation from the Government to American-built and American-manned ships for all services rendered, including the carriage of mails and the right to use the ships in time of war."

This was intended to be, and is, a specific description and indorsement of the bill ordered favorably reported on the previous day by the House Committee on Merchant Marine and Fisheries. This is the bill which President Roosevelt advocates in his special message to Congress. It is the only shipping bill before Congress and the country.

It is simply an extension of existing law. That law has been tried for fifteen years. It has sufficiently protected the interests of the Government. There is no need of forcing American shipowners to show their books and prove their poverty. That fact is notorious. While agriculture, like all other protected industries, has increased enormously, shipping in overseas trade has shrunk to a third of the tonnage of 1861. This is a disgrace to the Republican party, the one great Republican failure, the one deepest blot on Republican Administrations.

President Roosevelt and his Administration and the Republican majority in Congress have set themselves to the task of righting this error

and restoring the American merchant marine. They have begun by a cautious, well-considered measure of ocean mail legislation. The National Grange ought to support the President and stand by the Government in this great and patriotic undertaking, and I am convinced that if you will study the facts and get them fairly before your people the farmers of America will recognize that President Roosevelt is as brave and right in this as he has been in other acts which have made his Administration memorable.

Very truly, yours,

C. H. GROSVENOR,
Chairman Committee on Merchant Marine and Fisheries,
House of Representatives.

Hon. N. J. BACHELDER,
Master National Grange,
Patrons of Husbandry, Concord, N. H.

HOW A FOREIGN STEAMSHIP TRUST DOMINATES OUR SOUTH AMERICAN COMMERCE.

Not one American steamship and only fourteen American sail vessels took cargoes from our whole Atlantic coast for Brazil and Argentina in the first six months of 1906.

So far as steamships are concerned this important American trade is now, and for several years has been, monopolized by a foreign shipping trust or combination, whose weapons are rebates, discriminations, and boycotting, and whose policies are dictated from Liverpool and Hamburg.

Consul-General Seeger, at Rio de Janeiro, spoke thus of this foreign steamship combination in a report in 1903:

"The united steamship companies which control the carrying trade between the United States and Brazil—the Lamport & Holt Line, the Prince Line, the Robert M. Sloman Line, and the Chargeurs Reunis—have agreed to raise their rates on coffee from Santos and Rio de Janeiro from 30 cents and 5 per cent prime per bag of 133 pounds to 35 cents and 5 per cent. This rate will go into force in October, but as the cargoes for the steamships *Byron*, *Catania*, *Bellarden*, and *Soldier Prince* have already been in large part purchased, these steamers, leaving in the early part of October, have been excepted from this tariff and will carry their cargoes at the old rate."

Before this, in an earlier report, the consul-general had stated: "Since last August the freights have been raised and lowered and lowered and raised again to suit the purpose of the trust till they have reached their present level. * * * The trust has an agreement with coffee shippers here to pay them a rebate of 5 per cent at the end of every six months from the date of the agreement on all freights collected; provided, however, that this rebate is forfeited in case the shippers give freight to any vessel not belonging to the trust during the period stipulated. Through this arrangement the trust controls the shippers, and American vessels go home in ballast."

A writer and traveler, Julian Haugwitz, in *American Trade*, has thus described the situation:

"Our commerce with Brazil and the River Plata countries is at the mercy of such a shipping combine. Ostensibly four lines are competing in 'serving' the route between New York and Pernambuco southward, viz, the Lamport & Holt Line, Prince Line, Norton Line, all British, and the R. M. Sloman Line, which is German. In reality, however, the management of these services is centralized in Liverpool, the freights are pooled, and the spoils divided."

"At the head of this syndicate stands Lamport & Holt, of Liverpool, a powerful firm, owning and managing over a hundred vessels. The ships engaged in the New York-South American service are mostly slow and obsolete, steaming 8 to 10 knots, and yet the rates of freight levied on American cargo are nearly double those charged by the speedy, modern, elegant ships plying between Europe and the east coast of South America. Not a case of kerosene or a bag of coffee can escape paying toll to this freight ring, and there was more truth than comedy in the facetious request sent by a Rio shipper to the syndicate's agents at that port asking for a permit to ship some coffee on an outside vessel over their ocean. Numerous tramps or outsiders have been willing in Brazilian ports to take coffee to New York for 20 cents a bag instead of 40 cents, as now exacted. But whenever such a vessel has been placed on the berth the syndicate has promptly lowered its freight to 10 cents, besides boycotting the shippers patronizing the intruder."

A POLICY OF EXCLUSION.

"Another way by which the syndicate tightens its grip on its victims is to offer them a graduated return on the freights paid at the end of the year, provided no case of infidelity has occurred. An example illustrative of the combine's methods of persuasion and the shippers' liberty of trade happened last fall when a large coffee firm in Santos received an order for 20,000 bags of coffee from New York. The syndicate's freight charge was 40 cents a bag plus 5 per cent, but several outsiders were anxious to carry this cargo at 20 cents, which meant a saving of \$4,000 to the exporter on this lot alone, and in the same proportion an economy of \$1,000,000 to American coffee drinkers on the 5,000,000 bags imported from Brazil last crop year. The firm in question, having the freight room on hand at 20 cents, asked the syndicate to take the coffee at the same rate, and on the latter's refusal advanced its offer to 30 cents. The combine insisted on its full pound of flesh, and when the exporter accepted the tramp's charter, the former dropped its rates to 15 cents and later to 10 cents for all other shippers, debarring this firm and one or two other strikers from shipping on the combined boats except at the full old rates."

"The enormous advantages enjoyed by their less independent competitors, thanks to the combine's bounty, and worth thousands of dollars a day in a business worked on close margins and daily cable offers, soon brought the insurgents to terms, capitulation followed, and the former rates were restored. One over-conscientious agent at Santos demurred to boycotting his neighbor, and his scruples cost him the loss of the Sloman Line agency."

A New York merchant, familiar with the Brazilian trade, wrote thus on August 19, 1905, in the *New York Journal of Commerce*:

"I beg leave to call your attention to the very important fact, evidently overlooked by Special Agent Hutchinson and Consul Furniss, that merchants dealing with Brazil have valid and just causes for complaint owing to the fact that all the steam transportation companies carrying freight between United States ports and Brazil formed a combination some years ago, and as they monopolize the trade their rates of freight are so high as to be prejudicial to the business interests of those who are unfortunately obliged to patronize these companies."

"Any independent merchant in this city (New York) or in Brazil—whether importer or exporter—knows that the Lamport & Holt, Prince and Sloman lines, plying between this and Brazilian ports, from Pernambuco southward, exact exorbitantly high rates of freight on merchandise carried either way. In the coffee trade it is a well-known

fact that these monopolists, notably Lamport & Holt, discriminate in favor of some of the large importers of coffee by making them substantial concessions in freight, which, of course, is detrimental to the smaller importers. This disgraceful state of affairs certainly calls for a drastic remedy. As a merchant and shipper long connected with Brazil, I most heartily and unqualifiedly indorse Consul Furniss's recommendation concerning the need for an American steamship line between the United States and Brazil. Practically the entire trade between the United States and Amazon ports and Maranhão and Ceará is monopolized by the Booth Steamship Company of Liverpool, which, owing to arrangements concluded with other steamship companies, dictates rates, conditions, etc., to suit itself, but always at the expense of the interests of this country. I hope the consul's appeal will result in the establishment of a new line of steamers, which I am positive would speedily secure a very large share of the business between this country and Brazil."

Consul Furniss, at Bahia, alluded to above, said in his annual report for 1904:

"I have to reiterate my oft-repeated report of the need for an American steamship line. The mail service between the United States and this section of Brazil during the year just past has become much worse than heretofore, due to the withdrawal of one or two monthly boats. As a result of the cargo offering here for the United States and the frequent call of vessels to get it, coupled with the fact that Brazil requires all steamers to take mail, there have been frequent calls of vessels to get mails from here, but there is only one regular boat bringing mails from New York. Between times letters are sent hither from New York by various roundabout ways. This has virtually paralyzed the mail service. For this reason it is frequently the case that mail sent from New York in the middle of a month arrives here days after the mail leaving New York on the first of the ensuing month. This causes great prejudice to business, as the mails arriving last often have bills of lading and custom-house documents for goods arriving by the prior steamer, necessitating extra expense, vexatious delays, and great trouble to withdraw from the custom-house here, which seriously hurts our trade."

"It is impossible to maintain trade without frequent and rapid mail service. With the lack of this to contend with and the high freight charges out of New York, it is not to be wondered at that year by year our trade with this section is growing less, while the balance of trade in favor of Brazil is increasing. The present lines from New York seem to prefer high freight and little business, and make up by sending their vessels on a triangular course, viz, from Brazil to the United States, from the United States to Europe, and then from Europe, with European goods, to Brazil, with only a few vessels going and coming between Brazil and the United States direct. The German steamship lines are making preparations for an increased service with Brazil. With the aid given by these lines German trade has increased even more rapidly than ours is decreasing, and with the contemplated further increase in its fleet the outlook for German trade is even brighter than heretofore."

"The manner in which the trade interests of the United States are made to suffer by reason of the inadequacy of the transportation service between this country and South American ports is nothing short of a crime, which must be laid at the doors of Congress. Religiously protecting our interests in every other way, fostering and encouraging our manufacturers and developing home industries for domestic consumption, it makes no provisions for markets for surplus products, and thus paves the way for future industrial stagnation. In the meantime other countries reap the benefits of the trade demands of these nations by establishing steamship lines and commercial agencies in every important city. Is it any wonder that Mr. Lincoln Hutchinson, who is now in Brazil making a study of the conditions there, exclaims: 'The mass of the people scarcely know that such a country as the United States exists!'"

In 1904 Hon. John Barrett, then minister to Argentina, said in an address on our South American trade before the Merchant Marine Commission:

"I wish to explain a little in regard to this point. The question arises, If the business is there, why do not men go into it? Let me remind you that Europe has become established in this trade in the first place, and that she controls it at the present time. All the steamship lines that undertake this business are European steamship lines, and wishing to build up the trade with Europe rather than with America they form combinations and use their influence against the establishment of American lines. You see that in the agreement of the Lamport & Holt Line, which runs a line of passenger to Rio, but does not go on to Buenos Ayres. Because of an agreement with the Royal Mail Steamship Company of England they agree that they will not run their passenger steamers farther than Rio, and yet I was informed in New York and Philadelphia that an American company was already organized that would be willing to undertake to put on a line of steamers between New York and Buenos Ayres, provided they could receive enough money for carrying the mails to insure them against loss while they were establishing a regular trade and traffic."

Mr. Anderson, the present consul-general at Rio de Janeiro, speaks of the foreign steamship combination in the *Daily Consular and Trade Reports* of September 29, 1906:

"Merchants complain that the high freight rates obtaining on goods from the United States to Brazil generally continue to act as a deterrent to trade in general. The conference rates (the conference is the European steamship trust) on goods from the United States to this part of South America are nearly twice as high as freight rates from Asiatic ports to the United States."

Ambassador Griscom, at Rio de Janeiro, in a report to the State Department, published in the *Daily Consular and Trade Reports* of October 1, 1906, says:

"The English company of Lamport & Holt have been running a monthly service (between Rio and New York) with a practical monopoly, and without competition the freights have been prohibitive. It is hoped that we are entering upon a new era more favorable to merchants who may desire to reach out for trade with Brazil. The crying need of our relations with Brazil is better steamship communication. Inquiry among our leading financiers and merchants indicates that encouragement by our National Government in the form of a small postal or other subvention would quickly bring about the establishment of a good line of American steamers between New York and Rio. Given a few facilities our trade with Brazil must inevitably go ahead with leaps and bounds."

The Brazilian Government has lately subsidized a small steam line of its own to New York to break this European monopoly. Consul-General Anderson states that the facilities provided by these Brazilian craft "are not such as to offer any improvement over present service," but even such feeble competition has shaken the European steamship

trust as disclosed in this report from Mr. Anderson in the Daily Consular and Trade Reports of December 10, 1906:

"The steamship *Goyaz*, the ship of the Lloyd Brazileiro, which inaugurated a regular service between Brazil and the United States about the latter part of August, took a cargo of coffee at 20 cents per bag, as compared with the price of 35 cents charged by the conference ships, the latter of course being subject to the rebate agreed upon, which is made at the end of the year and is proportionate to the amount of coffee shipped. In addition to this cut in the market made by the Brazilian line, one of the largest shippers of coffee in Rio chartered a ship and furnished her total cargo the past week, making quite a cut in the cargoes expected for several conference ships. The result of the opposition to the ship combine is uncertain, but it seems to be generally agreed that the conference rate is too high.

"Freights between the United States and Brazil are much higher than those obtaining in the rest of the world, the rate from New York to Rio de Janeiro being about twice what the rate is from Hong-kong to New York. American exporters are vitally interested in this matter, for even assuming that the rates from Europe to Brazil and from the United States to Brazil are practically the same—a fact which is not yet established—it is yet to be noted that the high freight rates shut American exporters out of markets which otherwise they might have. Low freight rates, for instance, would enable American millers to ship American flour to ports in Brazil far south of their present limit. Freight rates from New York to Brazil similar to those obtaining between New York and the Far East would mean largely increased sales of American flour. What is true of flour is true of other things. The rebate system adopted by the shipping combine also works directly and materially against small shippers, among the latter being most American exporters selling to the Brazilian trade."

A strong American steamship service to South America could utterly smash this European combination against American ships and commerce. As the Merchant Marine Commission said in a memorandum presented by Senator GALLINGER:

"It is possible that if there were American steamship companies in our trade with South America they might form a combination of their own. But in that event, as American companies organized in the United States, they could be held responsible by our Government, while it would be very much more difficult to prosecute and break a combination 'in restraint of trade' by foreign companies, which can not so readily be reached by American laws.

"Moreover, if there were American steamship companies, their stock or bonds would be owned or controlled in large measure by American merchants and manufacturers and other business men, who would have a great deal of interest in maintaining favorable rates for our export trade to South America. On the other hand, the foreign steamship companies, whose inferior vessels now run in the South American trade, are owned and controlled primarily in the interests of merchants and manufacturers of Europe."

BRITISH MAIL LINES TO SOUTH AMERICA.

DEPARTMENT OF COMMERCE AND LABOR,

BUREAU OF NAVIGATION,

Washington, February 1, 1907.

MY DEAR GENERAL: Referring to your letter of the 27th ultimo on the subject of subsidies paid to British lines to South America, I inclose herewith a complete statement taken from the annual reports of the British postmasters-general.

Sincerely, yours,

E. T. CHAMBERLAIN, Commissioner.

Hon. C. H. GROSVENOR,

House of Representatives.

Subsidies paid to British lines to South America.

Year.	Royal Mail.				Pacific Steam Navigation Co.; Pacific and West Indies, Callao, Valparaiso, and Panama.
	West Indies.	West Indies (additional).	West Indies to Brazil and Buenos Ayres.	West Indies (additional), Liverpool to Buenos Ayres.	
1840.....	£5,600				
1841.....	80,000				
1842.....	240,000				
1843.....	240,000				
1844.....	240,000				
1845.....	240,000				
1846.....	240,000				
1847.....	240,000				
1848.....	240,000				
1849.....	240,000				
1850.....	240,000				
1851.....	240,000		£30,000		
1852.....	240,000		30,000		
1853.....	240,000		30,000		
1854 ^a					
1855 ^a					
1856 ^a					
1857 ^a					
1858.....	£298,500				
1859.....	£298,500				
1860.....	270,000				
1861.....	270,000				
1862 ^a					
1863 ^a					
1864 ^a					
1865 ^a					
1866 ^a					
1867 ^a					
1868 ^a					
1869 ^a	172,914	£5,556	33,500	£5,418	18,250
1870 ^a					
1871.....	172,914	4,302	33,500	15,674	18,250
1872.....	172,914	11,279	33,500	15,263	15,833

^a No particulars in Postmaster-General's report.

^b Apparently for all three services.

Subsidies paid to British lines to South America—Continued.

Year.	Royal Mail.				Pacific Steam Navigation Co.; Pacific and West Indies, Callao, Valparaiso, and Panama.
	West Indies.	West Indies (additional).	West Indies to Brazil and Buenos Ayres.	West Indies (additional), Liverpool to Buenos Ayres.	
1873.....	£172,914	£11,173	£33,500	£13,885	£15,896
1874.....	86,750	3,993	20,828	11,777	17,437
1875.....	86,750	11,030	6,976	9,701	17,263
1876 ^a					
1877.....	86,750	10,650	18,609	(b)	16,840
1878.....	86,750	10,817	14,868		12,616
1879.....	85,188	10,093	10,534		5,708
1880.....	80,500	4,282	11,760		4,798
1881.....	80,500	3,931	11,338		2,942
1882.....	80,500	3,541	12,165		2,656
1883.....	80,500	1,757	11,725		2,876
1884.....	80,500	3,279	13,256		3,417
1885.....	87,625	2,965	12,065		3,381
1886.....	90,199	3,022	14,822		3,418
1887.....	90,000	3,968	16,793		3,160
1888.....	90,000	3,071	22,104		3,397
1889.....	90,000	1,510	21,132		4,080
1890.....	92,709	559	23,817		4,167
1891.....	85,000	532	21,907		4,895
1892.....	85,000	354	22,475		5,195
1893.....	85,000	374	24,290		5,040
1894.....	85,000	409	22,725		5,780
1895.....	81,250	410	22,838		5,380
1896.....	80,000	440	26,145		5,850
1897.....	80,000		28,807		7,373
1898.....	79,500		38,907		5,870
1899.....	80,000		27,859		6,922
1900.....	80,000		10,539		27,454
1901.....	79,880		10,505		32,780
1902 ^a					
1903.....	87,652		10,589		32,000
1904.....	84,500		11,474		32,000
1905.....	21,125		11,830		32,000
Total.....	7,253,384	113,297	757,682	71,218	604,924

^a No particulars in Postmaster-General's report.

^b Steamers from Liverpool and Southampton both treated as regular steamers.

BRITISH STEAMSHIPS EMPLOYED.

DEPARTMENT OF COMMERCE AND LABOR,

BUREAU OF NAVIGATION,

Washington, January 28, 1907.

MY DEAR GENERAL: Referring to my letter of this date, I inclose a list of all the steamers of the Royal Steam Packet Company and the Pacific Steam Navigation Company (British) over 14 knots. The Pacific Steam Navigation Company until last year was engaged in trade with Asia through the Suez Canal as far as Colombo and thence to Australia, as well as maintaining its South American services. The company is now practically devoted entirely to South American trade, east and west coasts.

The Royal Mail Steam Packet Company last year made an arrangement by which it carries on some business with Australia, as well as the trade with the West Indies, Colon, Brazil, and Argentina, which it has maintained for about sixty-five years.

Very truly, yours,

E. T. CHAMBERLAIN,

Commissioner.

Hon. CHARLES H. GROSVENOR,

House of Representatives, Washington, D. C.

List of vessels of the Pacific Steam Navigation Company.

Name of vessel.	Tonnage (gross).	Speed.	Name of vessel.	Tonnage (gross).	Speed.
		Knots.			Knots.
Orita.....	9,231	16½	Chile.....	3,225	15
California.....	5,547	15½	Columbia.....	3,335	15
Mexico.....	5,549	15½	Guatemala.....	3,327	15
Oravia.....	5,321	15½	Peru.....	3,225	15
Orissa.....	5,326	15½	Santiago.....	2,953	15
Oriana.....	8,000	15½	Corcovada.....	4,565	14
Oronsa.....	8,000	15½	Galicia.....	5,896	14
Oropesa.....	5,303	15½	Pizarre.....	2,160	14
Ortega.....	8,000	15½	Puno.....	2,398	14
Panama.....	5,981	15½	Sorata.....	4,581	14
Victoria.....	5,967	15½			

List of vessels of the Royal Mail Steam Packet Company.

Name of vessel.	Tonnage (gross).	Speed.	Name of vessel.	Tonnage (gross).	Speed.
		Knots.			Knots.
Aragon.....	9,441	15	Tagus.....	5,545	15
Atrato.....	5,347	15	Thames.....	5,621	15
Clyde.....	5,618	15	Trent.....	5,525	15
Danube.....	5,891	15	La Plata.....	4,464	14
Magdalena.....	5,373	15	Orinoco.....	4,572	14
Nile.....	5,855	15			

PROFITS OF FOREIGN STEAMSHIP COMPANIES.

It is often asserted that the ocean shipping trade as carried on by foreigners pays no more, on the average, than 2 or 3 per cent, and that even with the aid of postal payments to regular lines it would

not be profitable for American capital to engage in ocean carrying. This assertion is in conflict with the facts as to the average dividends of the chief foreign steamship companies. These dividends, for certain representative postal lines, as stated by the Commissioner of Navigation in his annual report for 1902 (pp. 87, 88), averaged on the common, not on the preferred stock, as follows:

Name of company.	Average dividend, 1896-1901.	Name of company.	Average dividend, 1896-1901.
BRITISH.		FRENCH.	
	<i>Per cent.</i>		<i>Per cent.</i>
Peninsular and Oriental...	11.8	Messageries Maritimes....	4.7
Union-Castle.....	5.5	Compagnie Générale	
Pacific Steam.....	5.3	Transatlantique.....	2.5
Cunard (without the new \$1,000,000 subsidy).....	4.2	Chargeurs Réunis.....	6.2
Royal Mail.....	5.0	Average.....	4.5
Union, of New Zealand....	6.3		
Orient.....	3.8	OTHER FOREIGN.	
Average.....	6.0	Lloyd Austriaco.....	3.7
GERMAN.		Navigazione Generale Italiana	
		Compagnia Transatlantica (Spanish).....	6.9
Hamburg-American.....	7.7	Nederland America.....	6.6
North German Lloyd.....	6.3	Nippon Yusen (Japanese).....	11.0
Hamburg-South American.....	10.3	Average.....	6.3
German-Levant.....	7.0		
German-East Africa.....	4.7	General average.....	6.1
Average.....	7.2		

A large part of the period from 1896 to 1901 was a period of low freights and of high cost of coal, so that there is nothing unusually favorable in these figures. All of the steamship lines above enumerated perform ocean mail service for their respective governments. The Hamburg-American, which is often said to be unsubsidized, receives pay for carrying the mails, and shares with the other German steamship companies in the benefits of the general imperial policy of encouraging the merchant marine by all manner of legislative expedients. The German Levant Line is especially protected by discriminating railway rates on through merchandise.

The Hamburg-American Line declared a dividend of 11 per cent for 1905, and of 10 per cent for 1906, as against 9 per cent for 1904. The Nippon Yusen Kaisha declared a dividend for the half year ending September 30, 1905, of 12 per cent on its line to Australia. The Messageries Maritimes, one of the great French companies, earned a 5 per cent dividend in 1905, as compared with 4 per cent in 1904. For the half year ending March 31, 1906, the Nippon Yusen Kaisha, on its lines in general, declared a 15 per cent dividend.

Foreign steamship property is profitable enough to have attracted more than \$100,000,000 of American capital. This great sum of American money is now invested in shipping under foreign flags, chiefly in the International Mercantile Marine Company, the Morgan combination. But it is a significant fact that the great American investors in foreign ships, when asked by the Merchant Marine Commission in 1904 whether they would bring their foreign vessels under the American flag if a "free ship law" were recommended, all declared that they would not do so. They could not afford to give up the advantage of cheap foreign wages and, in some cases, of foreign subsidies.

AMERICAN SHIPS FOR AMERICAN COMMERCE.

[From pages 555-560 of Hearings Before the Committee on Merchant Marine and Fisheries, April 4-13, 1906.]

One of the most important features of the voluminous testimony taken all over the country by the Merchant Marine Commission was the insistence of practical men of business—merchants and manufacturers and bankers—not themselves interested in any way in shipowning or shipbuilding, that the lack of American ships prevented us from securing an adequate market abroad for the products of American manufacturing, mining, and agriculture.

These practical business men were familiar with the argument of academic free traders and of foreign steamship managers against encouragement to the American merchant marine, that foreigners were carrying our ocean commerce cheaply for us, and that therefore they ought to have a perpetual monopoly of it. But these manufacturers, merchants, and bankers interested in our export trade know, first, that foreign steamship companies do not carry our own products as cheaply as they carry the products of their own countries if they can help it, and that in a great many instances the foreigners do not supply ships to carry our trade at all, or furnish only worn-out, uneconomical vessels, discarded from their own service and sent over here as good enough for the United States, which is helpless because it has no shipping of its own.

These facts are well understood in the seaboard States. They are also understood by the practical business men of the interior, as is demonstrated by the following testimony of middle-western business men before the Merchant Marine Commission.

Mr. James A. Patton, of the Chicago Board of Trade:
"I would be heartily in favor of granting a subsidy to ships sailing from our ports to South America, because our manufacturers have no facilities for shipping there, and we could in that way increase our manufactures all over the country. The shipments of agricultural implements alone from the city of Chicago are enormous."

Mr. Charles L. Pack, of Cleveland, lumberman (at Cleveland, June 28, 1904):

"Most of you know that the region of greatest lumber production in the whole country is the Southern States. The production of lumber there in 1903 was over 10,000,000,000 feet, which is an enormous quantity. If this southern lumber alone were loaded on cars, with the normal load to a car, the train would extend all the way from New York to San Francisco."

"About one-tenth of that lumber is exported. About 1,000,000,000 feet were exported in 1903, and the export trade from the southern ports have been the safeguard of the lumber business in the South for the last twenty years, for the reason that it has taken a good deal of production that we could not well use at home, and the foreign demand has often been good when our demand at home was very poor."

"This export business is very much handicapped because it has to be done to a large extent in tramp steamers. That 1,000,000,000 feet

of lumber goes to a very large portion of the world. Last year the exports from the Southern States went to over 150 different foreign ports in Europe, in Asia, as far east as the Straits Settlements, and to both coasts of Africa, and the export would have been very much increased if we had had line steamers running from the southern ports rather than having to depend on occasional tramps as we could pick them up. It often happens that at times we can get more steamers than we have need of, and then there will be weeks and sometimes even months when it is very difficult to get sufficient tonnage to fill the orders. Oftentimes orders are canceled for lack of regular shipping facilities."

Mr. Grasselli, of Cleveland, president of the Grasselli Chemical Company:

"Bear in mind that in order to make shipments to South American ports, with some few exceptions, Americans are compelled to forward the goods to some European port, from which it is sent on to South America. The handicap to American industry becomes a very serious question, and when it is considered that foreign steamship lines are owned and controlled by corporations favorable to the countries to whom they belong and interested in their exports and in their own products, they do not give to the export of the American product the same careful handling and consideration that they naturally do their own; this resulting in the American goods arriving in more or less damaged condition, due to repeated and careless handling, thus causing another serious obstacle in our export business. Besides, with our own flag flying over her, the American ship, in a sense an extension of our own territory, and with her own officers, entering into foreign countries, brings us in physical contact with these countries, insuring our exports in reaching their destination."

Mr. S. A. Upson, of Cleveland, president of the Upson Nut and Bolt Company:

"I want to call your attention very briefly to the fact that a few years since we saw the necessity of increasing our export business, and I concluded that I would take some observations in South America. I found on investigation that in order to get there in any comfort and within a reasonable time I must go by way of England. I found in England two lines of steamers, subsidized by the English Government, being paid liberally for carrying the mail. The two lines ran alternately, so that a fast steamer sailed every week alternately from Southampton and from Liverpool."

"On reaching South America I found English, German, Italian, and French steamers touching semimonthly at nearly all the principal ports, bringing up in Argentina, at the city of Buenos Ayres. In the harbor of Buenos Ayres were many hundreds of ships from all nations, and they have there the finest docks in the world, except, possibly, at Liverpool. This will give you some idea of the immensity of the shipping arriving at that point."

"I learned, on trying to canvass the trade to see what we could do with American goods, that the greatest obstacle to our selling goods was, first, the difference in exchange of about 2 per cent between New York and Liverpool or London. I found also that it was almost an impossibility to expect to get business there on account of the very slow facilities for transportation."

"There were nothing but tramp steamers running between New York and South American ports at that time. These were advertised to leave on perhaps the 1st or the 10th of the month, and they would sail any time within a week or two weeks later, very seldom sailing at the time advertised, while the mail steamers to other countries were all running on regular schedule time, semimonthly, excepting to England, where they were running weekly, and the merchants said that in consequence of the very slow facilities for getting freight and mail to the United States there would be very little use in their trying to do business with the United States. They always knew when they could mail letters to Europe or England particularly and when they could get their replies, as there were steamers going on regular schedule time, while letters sent to the United States would be a month or six weeks en route. In fact, if they wanted to expedite either letters or merchandise they sent them by way of England."

Representative GROSVENOR:

"Mr. Upson, if it does not interrupt your line of thought, do you believe that if a line of fine steamers should be inaugurated from New York to Buenos Ayres it would divert to the United States a large or a considerable part of the business that now goes to Europe?"

Mr. Upson:

"I think it would, for this reason: If we had a regular line of good, first-class, speedy steamers carrying the mail regularly from New York to Buenos Ayres and intermediate ports semimonthly, so that the people of the United States and the people of Argentina and other countries could know that they could get their goods and their mail forwarded promptly, I believe the business would grow very rapidly. I think a great many of our Americans who now visit Europe would take trips to South America, partly as a matter of recreation and partly as a matter of business, and the results would be very great."

Mr. F. F. Prentiss, of the Cleveland Twist Drill Company:

"I want to call your attention to the conditions in South America. I was there several years ago, and the conditions impressed me very strongly. I had to go via Europe to reach South America. The first port at which I stopped—Bahia—and the situation was the same at Rio Janeiro, Montevideo, Buenos Ayres, and at every city where I attempted to market my goods or inquire about the condition of business—I ran against the transportation problem. It was the serious thing that handicapped me in my business, and it handicapped others whose volume would be ten times mine if they had proper facilities."

"While I look, as a manufacturer, at the commercial side of it, I also wish to represent the artisan and the tiller of the soil, who contribute toward the products that we can ship to South America, and we can ship them to other parts of the world, if we have the direct connection, even better than we do to-day. I lay particular stress, however, on the conditions down there, which are due to the lack of transportation facilities."

Mr. Walter D. Sayle, president of the Cleveland Punch and Shear Works Company and president of the Manufacturers' Association:

"It might be proper for me to state to you that I am neither a builder of ships nor to any extent a shipper, nor have I a dollar invested in any of the great steel carrying ships that touch our shores, but I am greatly interested as a citizen, a manufacturer, and a banker, and as one who has given some little thought to this subject."

"One of the commonest arguments of those who are indifferent to the condition of our merchant marine is that it makes no difference in what manner our trade goes abroad, so long as we enjoy rates as low as our competitors."

"This, to my notion, is only a half view of the subject. If we are to regard the mere crossing of the ocean as all, it really makes no difference whatever whether the goods go in American bottoms or in

foreign bottoms, provided they go as cheaply; but if we are to consider the multiplication of American houses in foreign ports, the promotion of American trade in foreign countries, the loss of trade to our own steel and machinery manufacturers, the establishment of American banks in all the quarters of the world, if we are to have within ourselves the means of over-sea transportation in times of war, then we must look to it that American exports go abroad in American ships.

"We can not hope to establish American trade through foreign branch houses and branch banks in foreign countries until the avenues of transportation between the parent houses and their offsprings are entirely independent, absolutely American, and not subject to either the sanction or the forbearance of any nation."

Col. J. J. Sullivan, president of the Central National Bank of Cleveland, ex-president of the Cleveland Chamber of Commerce, and president of the National Board of Trade:

"Blood is thicker than water, and, given the opportunity, a British ship will work for a British house in preference to that of any other nation. Thus it is that the British manufacturer can beat us in the South American markets—a part of our own continent. The great need of South America is agricultural machinery, yet every American reaper and every American harvester must first be dumped on Liverpool docks before it can reach the South American consumer. What chance do you suppose it will stand over there if it comes in competition with a similar product of British manufacture?"

"Therefore, I say this question of over-sea shipping is one which concerns us as merchants and manufacturers and business men. We should keep our export trade as nearly as we can within our own hands for the benefit of our own merchants and manufacturers."

Mr. David Harlowe, of Milwaukee, traffic manager of the Allis-Chalmers Company:

"To South America the vessels run very irregularly, possibly at periods of once a month or every six weeks."

The CHAIRMAN. And they are all foreign steamships?

Mr. HARLOWE. They are all foreign steamships. The same condition applies to the west coast of America. There are very few vessels sailing from New York or from any other Atlantic port to the west coast of America, and from San Francisco there is only one line of steamers coasting as far as Panama, but none south of Panama. It seems to me that there should be a line of steamships from Pacific coast ports to the west coast of South America, and that there should be steamers sailing oftener than at present from New York and other Atlantic ports to the east coast of South America.

"It appears to me that there would be considerable advantage in having a large American merchant marine by reason of the fact that at present most of the vessels sailing from our ports are owned by foreign capital, and these foreign owners are interested in lines to the same ports from Europe. Consequently they will make no rates from United States ports lower than those that apply from European ports."

"If we could have a marine of our own, it would be cut away from all foreign entanglements, and our steamship agents would be in a position to make a rate to help the home manufacturer as against the foreign manufacturer. Competition is very keen in all manufactured articles, I presume. It is the case in ours, and especially in shipments from England and Germany. We should have a marine of our own that would pay no attention to the rates which are promulgated from the other side, but just go on and enable us to meet competition in the delivery price at destination. I think that point should be borne in mind, gentlemen."

Representative MINOR. You think if we had ships running direct from a few ports in the United States to those ports in South America we would get better dispatch and more regular service?

Mr. HARLOWE. Yes, sir; and we would be building up a trade as well as taking care of it. Also please bear in mind that there should be service from the Pacific coast to the west coast of South America."

Hon. John Barrett, now minister to Panama, formerly minister to Argentina (at Chicago, June 24, 1904):

"The business men of Buenos Ayres can write to Europe and receive a reply easily in fifty days. It is very seldom that they can ever communicate with New York and Chicago and get an answer in less than eighty days. Anyone who is familiar with business methods and the importance of good mail exchange realizes what a handicap this is to the extension of American commerce. I have heard scores of South American merchants and bankers complain of the wretched mail arrangements between the United States and Argentina. If there were direct and regular service between Buenos Ayres and New York, there is no doubt in my mind that four-fifths of the southern South Americans who travel to the Northern Hemisphere, on either business or pleasure, would come or return via the United States."

APPROVED BY ILLINOIS MANUFACTURERS.

"The principal reason that we do not have direct steamship communication now of the class which I mention is that no company is willing to undertake it as an experiment or venture unless they can receive a compensation for carrying the mail which will insure them against primary or temporary loss. I have talked with leading steamship men in Buenos Ayres, Paris, Hamburg, and London, as well as in New York, and they have all told me that it would be impossible to initiate a great and important undertaking of this kind unless they could receive sufficient support from the United States and the South American republics to protect them while they were building up sufficient traffic and travel to maintain the line on a paying basis."

Reading these declarations of middle western men of business that national aid to the American merchant marine is demanded in order that the manufacturers and farmers of Ohio, Indiana, Michigan, Illinois, Wisconsin, and other Middle Western States may secure fair freight rates and adequate shipping facilities to build up their export trade to South America and other foreign markets, it is easy to understand why the Illinois Manufacturers' Association, on April 13, 1906, through its board of directors, formally indorsed the shipping bill of the Merchant Marine Commission and urged the House of Representatives to pass it. The members of the Illinois Manufacturers' Association desire the enactment of this legislation, not as shipowners or shipbuilders, but as American producers, having a surplus which they must sell abroad in competition with the manufacturers of foreign countries whose governments, by subsidy or otherwise, provide ample shipping facilities for them.

STATEMENTS OF AMERICAN REPRESENTATIVES ABROAD.

The declarations of these middle western business men that the failure of our Government to protect and encourage American shipping prevents the manufacturers of the Middle Western States from securing their fair share of the world's markets have been confirmed

time and time again by American ministers, consuls, and special commercial agents in foreign countries. About a year ago Special Agent Hutchinson, sent out by the Department of Commerce and Labor, stated in a report, after a brief stay in Brazil, that he did not think that more commercial shipping lines were necessary to South America, though he did think that there was urgent need of an improved mail service. This early report of Mr. Hutchinson, based on brief observation and experience, was eagerly caught up and exploited by those opposed to national aid to the American merchant marine in this country and in Europe. But it is very significant that the farther Mr. Hutchinson traveled in South America and the more he saw and learned the more completely he has come into accord with the opinions of other official observers. In his later reports, based on a fuller understanding of the question, he very frankly declares that our American export trade to South America is seriously hampered by the lack of an American merchant marine and of direct lines of communication.

Thus Mr. Hutchinson states, in a report published on March 23, 1906, by the Department of Commerce and Labor:

"There is no direct passenger service to Chile or the River Plata from the United States. Passengers from New York, for example, wishing to get to Buenos Ayres must either take passage to Rio de Janeiro and there transship to one of the European lines touching at that port en route to the South, or they must cross the Atlantic and transship in some European port to a steamer sailing to Buenos Ayres. If they wish to get to Chile, they may go via the Isthmus of Panama, suffering the inconvenience of transfer to the Panama Railroad and to one of the west coast steamship lines, or they may go to Rio de Janeiro or Montevideo and there transship to a steamer of the Pacific Steam Navigation Company's lines running through the Straits of Valparaiso, or they may go to Liverpool or Hamburg and there take steamer direct to Valparaiso. The passenger from Europe, on the other hand, wishing to go to the River Plata, has the choice of half a dozen first-class lines and several inferior ones. If his destination is Valparaiso, he has at least two direct lines."

This has come about from the liberal policy of European governments, which, by subsidy or state aid in other form, have provided excellent mail and shipping facilities for their manufacturers and merchants.

OUR WRETCHED MAIL SERVICE.

Special Agent Hutchinson adds:

"As in Brazil, so in Chile and the River Plata, there is universal complaint that the mail service to and from the United States is inadequate. If the trouble were only in the length of time required for the delivery of mails, the inconvenience would be sufficiently great, but far more serious is the irregularity, infrequency, and uncertainty of the service."

Speaking of South America in general and of the methods of the foreign steamship companies, Mr. Hutchinson says:

"There is abundant reason for believing that this granting of 'special rates' in actual practice reduces the European rates on many important classes of goods to below the American rates, and that the general impression that our freight charges are somewhat higher than the European is justified. Just what the extent of this excess is it is impossible to say, but the more conservative business men of Valparaiso, for example, place it at about 25 per cent."

Summing up his observations in South America, Special Agent Hutchinson declares:

"The passenger service from the United States is greatly inferior in all respects to that from Europe, and the American people have little inducement to visit and get personally acquainted with commercial and industrial conditions existing in these South American countries. This will remain true until direct lines of first-class passenger steamers ply between New York and the River Plata and a quicker and better service is inaugurated on the west coast from Panama southward to Valparaiso."

As to the American mail service on both the east and west coasts, Mr. Hutchinson says that it is "extremely unsatisfactory."

As to the important matter of cargo steamship service he declared:

"Freighting facilities from New York to Chile and the River Plata are inferior to those from Europe both as regards frequency, regularity, and time required for delivery, and as to rates."

And he concludes:

"Improvements in the interest of new connections, especially in Chile, would be effected by the establishment of a new line doing a strictly shipping business."

AMERICAN SHIPS ALMOST UNKNOWN.

Our pitiable share of the shipping trade of the most important country on the west coast of South America is thus stated, in the Daily Consular and Trade Reports for February 10, 1906, by Consul Mansfield, at Valparaiso:

"In the total number of ships entering and clearing at the several ports of Chile those flying the Chilean flag numbered 5,684, of which 5,041 were steamers and 643 sailing vessels. Of the foreign nations Great Britain represented nearly one-half the total tonnage, with 8,422,000 tons. Germany was second, with 3,000,000 tons. American shipping interests were represented by 33 steamers and 6 sailing vessels, with a tonnage of 131,879 and 3,728 tons, respectively. The total tonnage of all vessels entered was 17,700,000 tons; of the vessels cleared, 17,320."

What is true of Chile is also true of Ecuador. Hon. Archibald J. Sampson, American minister at Quito, states:

"I was informed recently by a prominent merchant here that he would like to deal with New York, but that the freight rates from that city on some of his purchases were fivefold greater when received at Guayaquil than like freight from Hamburg, which was a practical prohibition on American trade."

Germany has steamship lines under her own flag encircling South America. The United States has none at all.

THREE PRESIDENTS SPEAK FOR AMERICAN SHIPPING—BENJAMIN HARRISON.

Our great competitors have established and maintained their lines by government subsidies, until they have now practically excluded us from participation. In my opinion, no choice is left to us but to pursue, moderately at least, the same lines.

WILLIAM McKINLEY.

I am satisfied the judgment of the country favors the policy of aid to our merchant marine, which will broaden our commerce and markets and upbuild our sea-carrying capacity for the products of agriculture and manufacturing.

THEODORE ROOSEVELT.

Ships work for their own countries, just as railroads work for their terminal points. * * * From every standpoint it is unwise for the United States to continue to rely upon the ships of competing nations for the distribution of our goods. It should be made advantageous to carry American goods in American-built ships.

Three successive Republican Presidents—two from the Middle West and one from the great commercial State of New York—have urged in the strongest terms, throughout their Administrations, the upbuilding of American shipping in the foreign trade.

One of the three was Benjamin Harrison, of Indiana, who was elected in 1888 on a platform declaring:

"We earnestly recommend that prompt action be taken by Congress in the enactment of such legislation as will best secure the rehabilitation of our merchant marine, and we protest against the passage by Congress of a free ship bill as calculated to work injustice to labor by lessening the wages of those engaged in preparing the materials, as well as those directly employed in our shipyards."

President Harrison, in his first inaugural message to Congress, March 4, 1889, thus proclaimed his devotion to the cause of the American ship:

"We should encourage the establishment of American steamship lines. The changes of commerce demand stated, reliable, and rapid means of communication, and until these are provided the development of our trade with the states lying south of us is impossible."

PRESIDENT HARRISON TO CONGRESS.

In his first annual message to Congress, on December 3, 1889, President Harrison enlarged upon this theme with growing emphasis:

"There is nothing more justly humiliating to the national pride and nothing more hurtful to the national prosperity than the inferiority of our merchant marine compared with that of other nations whose general resources, wealth, and seacoast lines do not suggest any reason for their supremacy on the sea. It was not always so, and our people are agreed, I think, that it shall not continue to be so. * * *

"FOREIGN LINES ARE SUBSIDIZED.

"That the great steamship lines sailing under the flags of England, France, Germany, Spain, and Italy, and engaged in foreign commerce, were promoted and have since been and now are liberally aided by grants of public money in some form or another is generally known. That the American lines of steamships have been abandoned by us to an unequal contest with the aided lines of other nations until they have been withdrawn or, in the few cases where they are still maintained, are subjected to serious disadvantages is matter of common knowledge.

"MUST NOW GO VIA ENGLAND.

"The present situation is such that travelers and merchandise find Liverpool even a necessary intermediate point between New York and some of the South American capitals. The fact that some of the delegates from South American states to the conference of American nations, now in session at Washington, reached our shores by reversing that line of travel is very conclusive of the need of such a conference and very suggestive as to the first and necessary step in the direction of fuller and more beneficial intercourse with nations that are now our neighbors upon the lines of latitude, but not upon the lines of established commercial intercourse.

"LIBERAL AID FOR AMERICAN LINES.

"I recommend that such appropriations be made for ocean mail service in American steamships between our ports and those of Central America, China, Japan, and the important islands in both of the great oceans as will be liberally remunerative for the service rendered and as will encourage the establishment and in some fair degree equalize the chances of American steamship lines in the competition which they must meet. That the American states lying south of us will gladly cooperate in establishing and maintaining such lines of steamships to their principal ports I do not doubt.

"OUR NEED OF A NAVAL RESERVE.

"We should also make provision for a naval reserve, to consist of such merchant ships of American construction and of a specific tonnage and speed as the owners will consent to place at the use of the Government in case of need as armed cruisers. England has adopted this policy, and as a result can now, upon necessity, at once place upon her naval list some of the fastest steamships in the world. A proper supervision of the construction of such vessels would make their conversion into effective ships of war very easy.

"BLIND AND FALSE ECONOMY.

"I am an advocate of economy in our national expenditures, but it is a misuse of terms to make this word describe a policy that withholds an expenditure for the purpose of extending our foreign commerce. The enlargement and improvement of our merchant marine, the development of a sufficient body of trained seamen, the promotion of rapid and regular mail communication between the ports of other countries and our own, and the adaptation of large and swift American merchant steamships to naval uses in time of war are public purposes of the highest concern.

"A BENEFIT TO ALL THE PEOPLE.

"The enlarged participation of our people in the carrying trade, the new and increased markets that will be found for the products of our farms and factories, and the fuller and better employment of our mechanics which will result from a liberal promotion of our foreign commerce, insure the widest possible diffusion of benefit to all the States and to all the people. Everything is most propitious for the present inauguration of a liberal and progressive policy upon this subject, and we should enter upon it with promptness and decision."

HARRISON SPEAKS AGAIN.

President Harrison, in his second message to Congress, on December 1, 1890, made the merchant marine again the subject of a most earnest and emphatic recommendation:

"I desire to repeat with added urgency the recommendations contained in my last annual message in relation to the development of American steamship lines. The reciprocity clause of the tariff bill will be largely limited, and its benefits retarded and diminished, if provision is not contemporaneously made to encourage the establishment of first-class steam communication between our ports and the ports of those nations as may meet our overtures for enlargement of commercial exchanges.

"A FIRST CONDITION OF FOREIGN TRADE.

"The steamship, carrying the mails steadily and frequently, offering to passengers a comfortable, safe, and speedy transit, is the first condition of foreign trade. It carries the order or the buyer, but not all

that is ordered or bought. It gives to the sailing vessels such cargoes as are not urgent or perishable, and, indirectly at least, promotes that important adjunct of commerce. There is now both in this country and in the nations of Central and South America a state of expectation and confidence as to increased trade that will give a double value to your prompt action upon this question.

"LINES TO SOUTH AMERICA.

"The South Atlantic and Gulf ports occupy a very favored position toward the new and important commerce which the reciprocity clause of the tariff act and the postal shipping bill are designed to promote. Steamship lines from these ports to some northern port of South America will almost certainly effect a connection between the railroad systems of the continents long before any continuous line of railroads can be put into operation. The very large appropriation made at the last session for the harbor of Galveston was justified, as it seemed to me, for these considerations. The great Northwest will feel the advantage of trunk lines to the south as well as to the east, and of the markets found for their surplus food products and for many of their manufactured products."

A NEW LAW PASSED AND SIGNED.

Before another annual message was written President Harrison on March 3, 1891, had the satisfaction of signing a new law, the direct fruit of his earnest and patriotic recommendations, extending national aid to lines of American steamers. But unfortunately the original rates of compensation proposed in this measure, which had been fixed by expert authority at an amount just sufficient for the purpose, were cut down one-third on the solicitation of a few middle western men when the bill passed the House of Representatives. This seriously crippled the efficiency of the new measure so far as South America was concerned.

Though this legislation did create one American line to Europe, two to the West Indies, one to Venezuela, and finally one to Australasia, the experience of fifteen years has now demonstrated that the hasty reduction in the rate of mail subsidies was a deplorable error, justifying the remonstrances of the friends of the measure, who predicted that, thus heavily reduced, the law would prove a disappointment.

SOME GOOD RESULTS.

The immediate result, however, was beneficial in creating new lines to near-by markets, and President Harrison was enabled to sound a note of congratulation in his message to Congress on December 6, 1892:

"Ever since our merchant marine was driven from the sea by the rebel cruisers during the war of the rebellion the United States has been paying an enormous annual tribute to foreign countries in the shape of freight and passage moneys. Our grain and meats have been taken at our own docks and our large imports there laid down by foreign shipmasters.

"DIVIDENDS TO FOREIGNERS.

"An increasing torrent of American travel to Europe has contributed a vast sum annually to the dividends of foreign shipowners. The balance of trade shown by the books of the custom-houses has been very largely reduced and in many years altogether extinguished by this constant drain. In the year 1892 only 12.3 per cent of our imports were brought in American vessels. These great foreign steamships maintained by our traffic are, many of them, under contracts with their respective governments by which in time of war they will become a part of their armed naval establishments. Profiting by our commerce in peace, they will become the most formidable destroyers of our commerce in time of war.

"A CHANGE OF POLICY.

"I have felt, and have before expressed the feeling, that this condition of things was both intolerable and disgraceful. A wholesome change of policy and one having in it much promise, as it seems to me, was begun by the law of March 3, 1891. Under this law contracts have been made by the Postmaster-General for eleven mail routes. The expenditure involved by these contracts for the next fiscal year approximates \$954,123.33. As one of the results already reached, sixteen American steamships of an aggregate tonnage of 57,400 tons, costing \$7,400,000, have been built or contracted to be built in American shipyards. * * *

"SUBSIDIES ARE INDISPENSABLE.

"No subject, I think, more nearly touches the pride, the power, and the prosperity of our country than this of the development of our merchant marine upon the sea. If we could enter into conference with our competitors and all would agree to withhold government aid, we could perhaps take our chances with the rest, but our great competitors have established and maintained their lines by government subsidies until they now have practically excluded us from participation. In my opinion no choice is left to us but to pursue, moderately at least, the same lines."

PRESIDENT MCKINLEY'S COUNSEL.

The next Republican President, William McKinley, of Ohio, was known as a strong champion of the American merchant marine long before his election to this great office. In the debate on the new tariff bill that bore his name, on May 7, 1890, in the House of Representatives, Chairman McKinley had said:

"If the United States would give the same encouragement to her merchant marine and her steamship lines as is given by other nations to their ships, this commerce on the seas under the American flag would increase and multiply. When the United States will spend from her Treasury from \$5,000,000 to \$6,000,000 a year for that purpose, as do France and Great Britain to maintain their steamship lines, our ships will plow every sea in successful competition with the ships of the world. [Loud applause on the Republican side.] Will you gentlemen join us in encouraging our merchant marine? [Renewed applause on the Republican side.]"

BOTH BUSINESS AND PATRIOTISM.

Holding these earnest opinions, President McKinley avowed them in his first inaugural address, on March 4, 1897:

"Congress should give prompt attention to the restoration of our American merchant marine, once the pride of the seas on all the great ocean highways of commerce. To my mind, few more important subjects so imperatively demand its intelligent consideration. The United States has progressed with marvelous rapidity in every field of enterprise and endeavor until we have become foremost in nearly all of the great lines of inland trade, commerce, and industry. Yet, while this is true, our American merchant marine has been steadily declining until it is now lower, both in the percentage of tonnage and the number of vessels employed, than it was prior to the civil war.

"Commendable progress has been made of late years in the upbuilding of the American Navy, but we must supplement these efforts by providing as a proper consort for it a merchant marine amply sufficient for our own carrying trade to foreign countries. The question is one that appeals both to our business interests and the patriotic aspirations of a great people."

PROGRESS ON THE SEAS.

President McKinley reiterated these views in his first annual message to Congress, on December 6, 1897, and he expressed himself even more positively and at greater length on December 5, 1899, after the illuminating experience of the Spanish war:

"The value of an American merchant marine to the expansion of our commercial trade and the strengthening of our power upon the sea invites the immediate action of the Congress. Our national development will be one-sided and unsatisfactory so long as the remarkable growth of our inland industries remains unaccompanied by progress on the seas. There is no lack of constitutional authority for legislation which shall give to the country maritime strength commensurate with its industrial achievement and with its rank among the nations of the earth."

"IN THE LIGHT OF THE WAR."

"Last year American vessels transported a smaller share of our exports and imports than during any former year in all our history, and the measure of our dependence upon foreign shipping was painfully manifested to our people. Without any choice of our own, but from necessity, the Departments of the Government charged with military and naval operations in the East and West Indies had to obtain from foreign flags merchant vessels essential for those operations."

"OTHER NATIONS DO NOT HESITATE."

"The other great nations have not hesitated to adopt the required means to develop their shipping as a factor in national defense and as one of the surest and speediest means of obtaining for their producers a share in foreign markets. Like vigilance and opportunity on our part can not fail but improve our situation, which is regarded with humiliation at home and with surprise abroad. Even the seeming sacrifices, which at the beginning may be inevitable, will be offset later by more than equivalent gains."

"THE EXPENSE AS NOTHING."

"The expense is as nothing compared to the large object achieved. The reestablishment of our merchant marine involves in a large measure our continued industrial progress and the extension of our commercial triumphs. I am satisfied the judgment of the country favors the policy of aid to our merchant marine, which will broaden our commerce and markets and upbuild our sea-carrying capacity for the products of agriculture and manufacturing, which, with the increase of our Navy, means more work and wages to our countrymen, as well as a safeguard to American interests in every part of the world."

AMERICAN SHIPS FOR AMERICAN TRADE.

In his fourth and last message to Congress, on December 3, 1900, after his triumphant reelection, President McKinley said:

"American vessels during the past three years have carried about 9 per cent of our exports and imports. Foreign ships should carry the least, not the greatest, part of American trade. The remarkable growth of our steel industries, the progress of shipbuilding for the domestic trade, and our steadily maintained expenditures for the Navy have created an opportunity to place the United States in the first rank of commercial maritime powers."

"WILL REDUCE FREIGHT CHARGES."

"Besides realizing a proper national aspiration this will mean the establishment and healthy growth along all our coasts of a distinctive national industry, extending the field for the profitable employment of labor and capital. It will increase the transportation facilities and reduce freight charges on the vast volume of products brought from the interior of the seaboard for export, and will strengthen an arm of the national defense upon which the founders of the Government and their successors have relied. In again urging immediate action by the Congress on measures to promote American shipping and foreign trade, I direct attention to the recommendation on the subject in previous messages, but particularly to the opinion expressed in the message of 1899:

"THE COUNTRY FAVORS."

"I am satisfied the judgment of the country favors the policy of aid to our merchant marine, which will broaden our commerce and markets and upbuild our sea-carrying capacity for the products of agriculture and manufacturing, which, with the increase of our Navy, means more work and wages to our countrymen, as well as a safeguard to American interests in every part of the world."

MCKINLEY'S LAST WORDS.

In his very last words to his fellow-countrymen, on that fateful September 5, 1901, at the Pan-American Exposition, just before the bullet of the assassin struck him, President McKinley coupled his memorable plea for wider markets with a fervent demand for an American merchant marine:

"Then, too, we have inadequate steamship service. New lines of steamers have already been put into commission between the Pacific coast ports of the United States and those of the western coast of Mexico and Central and South America. These should be followed up with direct lines between the eastern coast of the United States and South American ports."

"One of the needs of the times is direct commercial lines from our vast fields of production to the fields of consumption that we have but barely touched. Next in advantage to having the thing to sell is to have the convenience to carry it to the buyer. We must encourage our merchant marine. We must have more ships. They must be under the American flag, built and manned and owned by Americans. These will not only be profitable in a commercial sense; they will be messengers of peace and amity wherever they go."

PRESIDENT ROOSEVELT'S APPEAL.

President Theodore Roosevelt, of New York, in this as in so many other things, followed loyally in the course of his beloved predecessor, his enthusiasm for the Navy inspiring naturally this exhortation of his first annual message on December 3, 1901:

"The condition of the American merchant marine is such as to call for immediate remedial action by the Congress. It is discreditable to us as a nation that our merchant marine should be utterly insignificant in comparison to that of other nations which we overtop in other forms of business. We should not longer submit to conditions under which

only a trifling portion of our great commerce is carried in our own ships. To remedy this state of things would not merely serve to build up our shipping interests, but it would also result in benefit to all who are interested in the permanent establishment of a wider market for American products and would provide an auxiliary force for the Navy."

"SHIPS WORK FOR THEIR COUNTRY."

"Ships work for their own countries just as railroads work for their terminal points. Shipping lines, if established to the principal countries with which we have dealings, would be of political as well as commercial benefit. From every standpoint it is unwise for the United States to continue to rely upon the ships of competing nations for the distribution of our goods. It should be made advantageous to carry American goods in American-built ships."

"AMERICAN SHIPPING HANDICAPPED."

"At present American shipping is under certain great disadvantages when put in competition with the shipping of foreign countries. Many of the fast foreign steamships, at a speed of 14 knots or above, are subsidized, and all our ships—sailing vessels and steamers alike, cargo carriers of slow speed and mail liners of high speed—have to meet the fact that the original cost of building American ships is greater than is the case abroad; that the wages paid American officers and seamen are very much higher than those paid to officers and seamen of foreign competing countries, and that the standard of living on our ships is far superior to the standard of living on the ships of our commercial rivals."

"Our Government should take such action as will remedy these inequalities. The American merchant marine should be restored to the ocean."

URGING A COMMISSION.

In his message of December 3, 1903, President Roosevelt offered this specific recommendation:

"A majority of our people desire that steps be taken in the interest of American shipping, so that we may once more resume our former position in the ocean carrying trade. But hitherto the differences of opinion as to the proper method of reaching this end have been so wide that it has proved impossible to secure the adoption of any particular scheme. Having in view these facts, I recommend that the Congress direct the Secretary of the Navy, the Postmaster-General, and the Secretary of Commerce and Labor, associated with such a representation from the Senate and the House of Representatives as the Congress in its wisdom may designate, to serve as a commission for the purpose of investigating and reporting to the Congress at its next session what legislation is desirable or necessary for the development of the American merchant marine and American commerce, and incidentally of a national ocean mail service of adequate auxiliary naval cruisers and naval reserves. While such a measure is desirable in any event, it is especially desirable at this time, in view of the fact that our present governmental contract for ocean mail with the American Line will expire in 1905."

"LINES OF CARGO SHIPS."

"Our ocean mail act was passed in 1891. In 1895 our 20-knot trans-Atlantic mail line was equal to any foreign line. Since then the Germans have put on 23-knot steamers, and the British have contracted for 24-knot steamers. Our service should equal the best. If it does not, the commercial public will abandon it. If we are to stay in the business it ought to be with the full understanding of the advantages to the country on the one hand, and on the other with exact knowledge of the cost and proper methods of carrying it on. Moreover, lines of cargo ships are of even more importance than fast mail lines, save so far as the latter can be depended upon to furnish swift auxiliary cruisers in time of war. The establishment of new lines of cargo ships to South America, to Asia, and elsewhere would be much in the interest of our commercial expansion."

THE ROOSEVELT PLATFORM.

Congress responded with the act of April 28, 1904, creating the Merchant Marine Commission of five Senators and five Representatives. For nearly two years thereafter this Commission was pursuing its appointed work. Meanwhile, in the autumn of 1904, Theodore Roosevelt was elected President on a platform declaring:

"While every other industry has prospered under the fostering aid of Republican legislation, American shipping engaged in foreign trade, in competition with the low cost of construction, low wages, and heavy subsidies of foreign governments, has not for many years received from the Government of the United States adequate encouragement of any kind. We therefore favor legislation which will encourage and build up the American merchant marine, and we cordially approve the legislation of the last Congress, which created the Merchant Marine Commission to investigate and report upon this subject."

Before the inquiry of the Commission was entirely completed, in his message of December, 1904, to Congress, President Roosevelt said:

"I especially commend to your immediate attention the encouragement of our merchant marine by appropriate legislation."

THE COMMISSION AND ITS WORK.

Finally the report and recommendations of the Merchant Marine Commission in comprehensive form were laid before Congress, and in his message of December 5, 1905, President Roosevelt said:

"To the spread of our trade in peace and the defense of our flag in war a great and prosperous merchant marine is indispensable. We should have ships of our own and seamen of our own to convey our goods to neutral markets, and in case of need to reinforce our battle line. It can not but be a source of regret and uneasiness to us that the lines of communication with our sister republics of South America should be chiefly under foreign control. It is not a good thing that American merchants and manufacturers should have to send their goods and letters to South America via Europe if they wish security and dispatch. Even on the Pacific, where our ships have held their own better than on the Atlantic, our merchant flag is now threatened through the liberal aid bestowed by other governments on their own steam lines. I ask your earnest consideration of the report with which the Merchant Marine Commission has followed its long and careful inquiry."

The Senate has duly considered the report of the President's Commission, and, under the leadership of Senator GALLINGER, chairman of the Commission, has passed the bill and sent it to the House of Representatives.

Now the House has in turn its opportunity and its duty to heed the counsel and fulfill the appeals of Harrison, McKinley, and Roosevelt.

Mr. GALLINGER. Mr. President, having said these few words, and without any feeling of hostility or unkindness to

those who have, as I think, unwisely filibustered this bill to death, I am content to let the matter rest for the present. But I want here and now to give notice to my associates in this Chamber and to any citizen of this Republic who cares to know the fact that so long as I am privileged to remain in public life I shall not be quiescent while this condition of things exists, but in the future I will exert myself to the utmost to secure legislation on this most important subject.

I am gratified to have assurances from certain Senators on the other side of the Chamber that they will cooperate with those of us on this side who desire legislation in bringing about the passage of a bill on substantially the same lines upon which the bill under consideration is framed. I have hopes of a satisfactory result in the next Congress, and I know that I shall have the cooperation of some distinguished Senators who have heretofore been in opposition in securing the passage of wise and just legislation for the purpose of rehabilitating the American merchant marine.

I beg to request that the message of the President of the United States to Congress of January 23, 1907, and the address of Secretary Root before the Trans-Mississippi Commercial Congress of November 20, 1906, be inserted in the RECORD without reading.

The VICE-PRESIDENT. Without objection, it is so ordered.

MESSAGE FROM THE PRESIDENT OF THE UNITED STATES, CALLING ATTENTION TO THE GREAT DESIRABILITY OF ENACTING LEGISLATION TO HELP AMERICAN SHIPPING AND AMERICAN TRADE BY ENCOURAGING THE BUILDING AND RUNNING OF LINES OF LARGE AND SWIFT STEAMERS TO SOUTH AMERICA AND THE ORIENT.

To the Senate and House of Representatives:

I call your attention to the great desirability of enacting legislation to help American shipping and American trade by encouraging the building and running of lines of large and swift steamers to South America and the Orient.

The urgent need of our country's making an effort to do something like its share of its own carrying trade on the ocean has been called to our attention in striking fashion by the experiences of Secretary Root on his recent South American tour. The result of these experiences he has set forth in his address before the Trans-Mississippi Commercial Congress, at Kansas City, Mo., on November 20 last, an address so important that it deserves the careful study of all public men.

The facts set forth by Mr. Root are striking, and they can not but arrest the attention of our people. The great continent to the south of us, which should be knit to us by the closest commercial ties, is hardly in direct commercial communication with us at all, its commercial relations being almost exclusively with Europe. Between all the principal South American ports and Europe lines of swift and commodious steamers, subsidized by their home governments, ply regularly. There is no such line of steamers between these ports and the United States.

In consequence, our shipping in South American ports is almost a negligible quantity; for instance, in the year ending June 30, 1905, there entered the port of Rio de Janeiro over 3,000 steamers and sailing vessels from Europe, but from the United States no steamers and only seven sailing vessels, two of which were in distress. One prime reason for this state of things is the fact that those who now do business on the sea do business in a world not of natural competition, but of subsidized competition. State aid to steamship lines is as much a part of the commercial system of to-day as state employment of consuls to promote business. Our commercial competitors in Europe pay in the aggregate some twenty-five millions a year to their steamship lines—Great Britain paying nearly seven millions. Japan pays between three and four millions. By the proposed legislation the United States will still pay relatively less than any one of our competitors pays. Three years ago the Trans-Mississippi Congress formally set forth as axiomatic the statement that every ship is a missionary of trade, that steamship lines work for their own countries just as railroad lines work for their terminal points, and that it is as absurd for the United States to depend upon foreign ships to distribute its products as it would be for a department store to depend upon wagons of a competing house to deliver its goods. This statement is the literal truth.

Moreover, it must be remembered that American ships do not have to contend merely against the subsidization of their foreign competitors. The higher wages and the greater cost of maintenance of American officers and crews make it almost impossible for our people who do business on the ocean to compete on equal terms with foreign ships unless they are protected somewhat as their fellow-countrymen who do business on land are protected. We can not as a country afford to have the wages and the manner of life of our seamen cut down; and the only alternative, if we are to have seamen at all, is to offset the expense by giving some advantage to the ship itself.

The proposed law which has been introduced in Congress is in no sense experimental. It is based on the best and most successful precedents, as, for instance, on the recent Cunard contract with the British Government. As far as South America is concerned, its aim is to provide from the Atlantic and Pacific coasts better American lines to the great ports of South America than the present European lines. The South American republics now see only our warships. Under this bill our trade friendship will be made evident to them. The bill proposes to build large-sized steamers of 16-knot speed. There are nearly 200 such steamships already in the world's foreign trade, and over three-fourths of them now draw subsidies—postal or admiralty or both. The bill will encourage our shipyards, which are almost as necessary to the national defense as battle ships, and the efficiency of which depends in large measure upon their steady employment in large construction. The proposed bill is of importance to our Navy, because it gives a considerable fleet of auxiliary steamships, such as is now almost wholly lacking, and also provides for an effective naval reserve.

The bill provides for fourteen steamships, subsidized to the extent of over a million and a half, from the Atlantic coast, all to run to South American ports. It provides on the Pacific coast for twenty-two

steamers subsidized to the extent of two millions and a quarter, some of these to run to South America, most of them to Manila, Australia, and Asia. Be it remembered that while the ships will be owned on the coasts, the cargoes will largely be supplied by the interior, and that the bill will benefit the Mississippi Valley as much as it benefits the seaboard.

I have laid stress upon the benefit to be expected from our trade with South America. The lines to the Orient are also of vital importance. The commercial possibilities of the Pacific are unlimited, and for national reasons it is imperative that we should have direct and adequate communication by American lines with Hawaii and the Philippines. The existence of our present steamship lines on the Pacific is seriously threatened by the foreign subsidized lines. Our communications with the markets of Asia and with our own possessions in the Philippines, no less than our communications with Australia, should depend not upon foreign, but upon our own steamships. The Southwest and the Northwest should alike be served by these lines, and if this is done they will also give to the Mississippi Valley throughout its entire length the advantage of all transcontinental railways running to the Pacific coast. To fail to establish adequate lines on the Pacific is equivalent to proclaiming to the world that we have neither the ability nor the disposition to contend for our rightful share of the commerce of the Orient; nor yet to protect our interests in the Philippines. It would surely be discreditable for us to surrender to our commercial rivals the great commerce of the Orient, the great commerce we should have with South America, and even our own communications with Hawaii and the Philippines.

I earnestly hope for the enactment of some law like the bill in question.

THEODORE ROOSEVELT.

THE WHITE HOUSE, January 23, 1907.

ADDRESS BY HON. ELIHU ROOT BEFORE THE TRANS-MISSISSIPPI COMMERCIAL CONGRESS, KANSAS CITY, MO., TUESDAY, NOVEMBER 20, 1906.

MR. PRESIDENT AND GENTLEMEN OF THE CONGRESS:

A little less than three centuries of colonial and national life have brought the people inhabiting the United States, by a process of evolution, natural and with the existing forces inevitable, to a point of distinct and radical change in their economic relations to the rest of mankind.

During the period now past the energy of our people, directed by the formative power created in our early population by heredity, by environment, by the struggle for existence, by individual independence, and by free institutions, has been devoted to the internal development of our own country. The surplus wealth produced by our labors has been applied immediately to reproduction in our own land. We have been cutting down forests and breaking virgin soil and fencing prairies and opening mines of coal and iron and copper and silver and gold, and building roads and canals and railroads and telegraph lines and cars and locomotives and mills and furnaces and schoolhouses and colleges and libraries and hospitals and asylums and public buildings and storehouses and shops and homes. We have been drawing on the resources of the world in capital and in labor to aid us in our work. We have gathered strength from every rich and powerful nation and expended it upon these home undertakings; into them we have poured hundreds of millions of money attracted from the investors of Europe. We have been always a debtor nation, borrowing from the rest of the world, drawing all possible energy toward us and concentrating it with our own energy upon our own enterprises. The engrossing pursuit of our own opportunities has excluded from our consideration and interest the enterprises and the possibilities of the outside world. Invention, discovery, the progress of science, capacity for organization, the enormous increase in the productive power of mankind, have accelerated our progress and have brought us to a result of development in every branch of internal industrial activity marvelous and unprecedented in the history of the world.

Since the first election of President McKinley the people of the United States have for the first time accumulated a surplus of capital beyond the requirements of internal development. That surplus is increasing with extraordinary rapidity. We have paid our debts to Europe and have become a creditor instead of a debtor nation; we have faced about; we have left the ranks of the borrowing nations and have entered the ranks of the investing nations. Our surplus energy is beginning to look beyond our own borders, throughout the world, to find opportunity for the profitable use of our surplus capital, foreign markets for our manufactures, foreign mines to be developed, foreign bridges and railroads and public works to be built, foreign rivers to be turned into electric power and light. As in their several ways England and France and Germany have stood, so we in our own way are beginning to stand and must continue to stand toward the industrial enterprise of the world.

That we are not beginning our new rôle feebly is indicated by \$1,518,561,666 of exports in the year 1905 as against \$1,117,513,071 of imports, and by \$1,743,864,500 exports in the year 1906 as against \$1,226,563,843 of imports. Our first steps in the new field indeed are somewhat clumsy and unskilled. In our own vast country, with oceans on either side, we have had too little contact with foreign peoples readily to understand their customs or learn their languages; yet no one can doubt that we shall learn and shall understand and shall do our business abroad, as we have done it at home, with force and efficiency.

Coincident with this change in the United States the progress of political development has been carrying the neighboring continent of South America out of the stage of militarism into the stage of industrialism. Throughout the greater part of that vast continent revolutions have ceased to be looked upon with favor or submitted to with indifference; the revolutionary general and the dictator are no longer the objects of admiration and imitation; civic virtues command the highest respect; the people point with satisfaction and pride to the stability of their governments, to the safety of property, and the certainty of justice; nearly everywhere the people are eager for foreign capital to develop their natural resources and for foreign immigration to occupy their vacant land. Immediately before us, at exactly the right time, just as we are ready for it, great opportunities for peaceful commercial and industrial expansion to the south are presented. Other investing nations are already in the field—England, France, Germany, Italy, Spain; but the field is so vast, the new demands are so great, the progress so rapid, that what other nations have done up to this time is but a slight advance in the race for the grand total. The opportunities are so large that figures fail to convey them. The area of this newly awakened continent is 7,502,848 square miles—more than two and one-half times as large as the United States without Alaska, and more than double the United States including Alaska. A

large part of this area lies within the Temperate Zone, with an equable and invigorating climate, free from extremes of either heat or cold. Farther north in the Tropics are enormous expanses of high table-lands, stretching from the Atlantic to the foothills of the Andes, and lifted far above the tropical heats; the fertile valleys of the western Cordilleras are cooled by perpetual snows, even under the equator; vast forests grow untouched from a soil of incredible richness. The plains of Argentina, the great uplands of Brazil, the mountain valleys of Chile, Peru, Ecuador, Bolivia, and Colombia are suited to the habitation of any race, however far to the north its origin may have been. Hundreds of millions of men can find healthful homes and abundant sustenance in this great territory.

The population in 1900 was only 42,461,381, less than six to the square mile. The density of population was less than one-eighth of that in the State of Missouri, less than one-sixtieth of that in the State of Massachusetts, less than one-seventieth of that in England, less than 1 per cent of that in Belgium.

With this sparse population the production of wealth is already enormous. The latest trade statistics show exports from South America to foreign countries of \$745,530,000, and imports of \$499,858,000. Of the five hundred millions of goods that South America buys we sell them but \$63,246,525, or 12.6 per cent. Of the seven hundred and forty-five millions that South America sells we buy \$152,092,000, or 20.4 per cent—nearly two and one-half times as much as we sell.

Their production is increasing by leaps and bounds. In eleven years the exports of Chile have increased 45 per cent, from \$54,030,000 in 1894 to \$78,840,000 in 1905. In eight years the exports of Peru have increased 100 per cent, from \$13,899,000 in 1897 to \$28,758,000 in 1905. In ten years the exports of Brazil have increased 66 per cent, from \$134,062,000 in 1894 to \$223,101,000 in 1905. In ten years the exports of Argentina have increased 168 per cent, from \$115,868,000 in 1895 to \$311,544,000 in 1905.

This is only the beginning; the coffee and rubber of Brazil, the wheat and beef and hides of Argentina and Uruguay, the copper and nitrates of Chile, the copper and tin of Bolivia, the silver and gold and cotton and sugar of Peru, are but samples of what the soil and mines of that wonderful continent are capable of yielding. Ninety-seven per cent of the territory of South America is occupied by ten independent republics living under constitutions substantially copied or adapted from our own. Under the new conditions of tranquillity and security which prevail in most of them their eager invitation to immigrants from the old world will not long pass unheeded. The pressure of population abroad will inevitably turn its streams of life and labor toward those fertile fields and valleys. The streams have already begun to flow; more than 200,000 immigrants entered the Argentine Republic last year; they are coming this year at the rate of over three hundred thousand. Many thousands of Germans have already settled in southern Brazil. They are most welcome in Brazil; they are good and useful citizens there, as they are here; I hope that many more will come to Brazil and every other South American country, and add their vigorous industry and good citizenship to the upbuilding of their adopted home.

With the increase of population in such a field, under free institutions, with the fruits of labor and the rewards of enterprise secure, the production of wealth and the increase of purchasing power will afford a market for the commerce of the world worthy to rank even with the markets of the Orient as the goal of business enterprise. The material resources of South America are in some important respects complementary to our own; that continent is weakest where North America is strongest as a field for manufactures; it has comparatively little coal and iron. In many respects the people of the two continents are complementary to each other; the South American is polite, refined, cultivated, fond of literature and of expression, and of the graces and charms of life, while the North American is strenuous, intense, utilitarian. Where we accumulate, they spend. While we have less of the cheerful philosophy which finds sources of happiness in the existing conditions of life, they have less of the inventive faculty which strives continually to increase the productive power of man and lower the cost of manufacture. The chief merits of the peoples of the two continents are different; their chief defects are different. Mutual intercourse and knowledge can not fail to greatly benefit both. Each can learn from the other; each can teach much to the other, and each can contribute greatly to the development and prosperity of the other. A large part of their products find no domestic competition here; a large part of our products will find no domestic competition there. The typical conditions exist for that kind of trade which is profitable, honorable, and beneficial to both parties.

The relations between the United States and South America have been chiefly political rather than commercial or personal. In the early days of the South American struggle for independence the eloquence of Henry Clay awakened in the American people a generous sympathy for the patriots of the South as for brethren struggling in the common cause of liberty. The clear-eyed, judicious diplomacy of Richard Rush, the American minister at the Court of St. James, effected a complete understanding with Great Britain for concurrent action in opposition to the designs of the Holy Alliance, already contemplating the partition of the Southern Continent among the great powers of continental Europe. The famous declaration of Monroe arrayed the organized and rapidly increasing power of the United States as an obstacle to European aggression and made it forever plain that the cost of European aggression would be greater than any advantage which could be won even by successful aggression.

That great declaration was not the chance expression of the opinion or the feeling of the moment; it crystallized the sentiment for human liberty and human rights which has saved American idealism from the demoralization of narrow selfishness, and has given to American democracy its true world power in the virile potency of a great example. It responded to the instinct of self-preservation in an intensely practical people. It was the result of conference with Jefferson and Madison and John Quincy Adams and John C. Calhoun and William Wirt—a combination of political wisdom, experience, and skill not easily surpassed. The particular circumstances which led to the declaration no longer exist; no Holy Alliance now threatens to partition South America; no European colonization of the west coast threatens to exclude us from the Pacific. But those conditions were merely the occasion for the declaration of a principle of action. Other occasions for the application of the principle have arisen since; it needs no prophetic vision to see that other occasions for its application may arise hereafter. The principle declared by Monroe is as wise an expression of sound political judgment to-day, as truthful a representation of the sentiments and instincts of the American people to-day, as living in its force as an effective rule of conduct whenever occasion shall arise, as it was on the 2d of December, 1823.

These great political services to South American independence, however, did not and could not in the nature of things create any relation between the people of South America and the people of the United States except a relation of political sympathy.

Twenty-five years ago Mr. Blaine, sanguine, resourceful, and gifted with that imagination which enlarges the historian's understanding of the past into the statesman's comprehension of the future, undertook to inaugurate a new era of American relations which should supplement political sympathy by personal acquaintance, by the intercourse of expanding trade, and by mutual helpfulness. As Secretary of State under President Arthur he invited the American nations to a conference to be held on the 24th of November, 1882, for the purpose of considering and discussing the subject of preventing war between the nations of America. That invitation, abandoned by Mr. Frelinghuysen, was renewed under Mr. Cleveland, and on the 2d of October, 1889, Mr. Blaine, again Secretary of State under President Harrison, had the singular good fortune to execute his former design and to open the session of the first American conference at Washington. In an address of wisdom and lofty spirit, which should ever give honor to his memory, he described the assembly as—

"an honorable, peaceful conference of seventeen independent American powers, in which all shall meet together on terms of absolute equality; a conference in which there can be no attempt to coerce a single delegate against his own conception of the interests of his nation; a conference which will permit no secret understanding on any subject, but will frankly publish to the world all its conclusions; a conference which will tolerate no spirit of conquest, but will aim to cultivate an American sympathy as broad as both continents; a conference which will form no selfish alliance against the older nations from which we are proud to claim inheritance—a conference, in fine, which will seek nothing, propose nothing, endure nothing that is not, in the general sense of all the delegates, timely, wise, and peaceful."

The policy which Blaine inaugurated has been continued; the Congress of the United States has approved it; subsequent Presidents have followed it. The first conference at Washington has been succeeded by a second conference in Mexico, and now by a third conference in Rio de Janeiro; and it is to be followed in years to come by further successive assemblies in which the representatives of all American States shall acquire better knowledge and more perfect understanding and be drawn together by the recognition of common interests and the kindly consideration and discussion of measures for mutual benefit.

Nevertheless, Mr. Blaine was in advance of his time. In 1881 and 1889 neither had the United States reached a point where it could turn its energies away from its own internal development and direct them outward toward the development of foreign enterprises and foreign trade, nor had the South American countries reached the stage of stability in government and security for property necessary to their industrial development.

Now, however, the time has come; both North and South America have grown up to Blaine's policy; the production, the trade, the capital, the enterprise of the United States have before them the opportunity to follow, and they are free to follow, the pathway marked out by the far-sighted statesmanship of Blaine for the growth of America, North and South, in the peaceful prosperity of a mighty commerce.

To utilize this opportunity certain practical things must be done. For the most part these things must be done by a multitude of individual efforts; they can not be done by government. Government may help to furnish facilities for the doing of them, but the facilities will be useless unless used by individuals. They can not be done by resolutions of this or any other commercial body; resolutions are useless unless they stir individual business men to action in their own business affairs. The things needed have been fully and specifically set forth in many reports of efficient consuls and of highly competent agents of the Department of Commerce and Labor, and they have been described in countless newspapers and magazine articles; but all these things are worthless unless they are followed by individual action. I will indicate some of the matters to which every producer and merchant who desires South American trade should pay attention:

1. He should learn what the South Americans want and conform his product to their wants. If they think they need heavy castings he should give them heavy castings and not expect them to buy light ones because he thinks they are better. If they want coarse cottons he should give them coarse cottons and not expect them to buy fine cottons. It may not pay to-day, but it will pay to-morrow. The tendency to standardize articles of manufacture may reduce the cost and promote convenience, but if the consumers on the River Plate demand a different standard from the consumers on the Mississippi, you must have two standards or lose one market.

2. Both for the purpose of learning what the South American people want and of securing their attention to your goods you must have agents who speak the Spanish or Portuguese language. For this there are two reasons: One is that people can seldom really get at each other's minds through an interpreter, and the other is that nine times out of ten it is only through knowing the Spanish or Portuguese language that a North American comes to appreciate the admirable and attractive personal qualities of the South American and is thus able to establish that kindly and agreeable personal relation which is so potent in leading to business relations.

3. The American producer should arrange to conform his credit system to that prevailing in the country where he wishes to sell goods. There is no more money lost upon commercial credits in South America than there is in North America, but business men there have their own ways of doing business; they have to adapt the credits they receive to the credits they give. It is often inconvenient and disagreeable, and it is sometimes impossible, for them to conform to our ways, and the requirement that they should do so is a serious obstacle to trade.

To understand credits it is, of course, necessary to know something about the character, trustworthiness, and commercial standing of the purchaser, and the American producer or merchant who would sell goods in South America must have some means of knowledge upon this subject. This leads naturally to the next observation I have to make.

4. The establishment of banks should be brought about. The Americans already engaged in South American trade could well afford to subscribe the capital and establish an American bank in each of the principal cities of South America. This is, first, because nothing but very bad management could prevent such a bank from making money; capital is much needed in those cities, and 6, 8, and 10 per cent can be obtained for money upon just as safe security as can be had in Kansas City, St. Louis, or New York. It is also because the American bank would furnish a source of information as to the standing of the South American purchasers to whom credit may be extended, and because the American banks would relieve American business in South America from the disadvantage which now exists of making all its financial transactions through Europe instead of directly with the United States. It

is unfortunately true that among hundreds of thousands of possible customers the United States now stands in a position of assumed financial and business inferiority to the countries through whose banking houses all its business has to be done.

5. The American merchant should himself acquire, if he has not already done so, and should impress upon all his agents, that respect for the South American to which he is justly entitled and which is the essential requisite to respect from the South American. We are different in many ways as to character and methods. In dealing with all foreign people it is important to avoid the narrow and uninstructed prejudice which assumes that difference from ourselves denotes inferiority. There is nothing that we resent so quickly as an assumption of superiority or evidence of condescension in foreigners; there is nothing that the South Americans resent so quickly. The South Americans are our superiors in some respects. We are their superiors in other respects. We should show to them what is best in us and see what is best in them. Every agent of an American producer or merchant should be instructed that courtesy, politeness, and kindly consideration are essential requisites for success in the South American trade.

6. The investment of American capital in South America under the direction of American experts should be promoted, not merely upon simple investment grounds, but as a means of creating and enlarging trade. For simple investment purposes the opportunities are innumerable. Good business judgment and good business management will be necessary there, of course, as they are necessary here; but, given these, I believe that there is a vast number of enterprises awaiting capital in the more advanced countries of South America, capable of yielding great profits, and in which the property and the profits will be as safe as in the United States or Canada. A good many such enterprises are already begun. I have found a graduate of the Massachusetts Institute of Technology, a graduate of the Columbia School of Mines, and a graduate of Colonel Roosevelt's Rough Riders smelting copper close under the snow line of the Andes; I have ridden in an American car upon an American electric road, built by a New York engineer, in the heart of the coffee region of Brazil, and I have seen the waters of that river along which Pizarro established his line of communication in the conquest of Peru harnessed to American machinery to make light and power for the city of Lima. Every such point is the nucleus of American trade—the source of orders for American goods.

7. It is absolutely essential that the means of communication between the two countries should be improved and increased.

This underlies all other considerations and it applies both to the mail, the passenger, and the freight services. Between all the principal South American ports and England, Germany, France, Spain, Italy lines of swift and commodious steamers ply regularly. There are five subsidized first-class mail and passenger lines between Buenos Ayres and Europe; there is no such line between Buenos Ayres and the United States. Within the past two years the German, the English, and the Italian lines have been replacing their old steamers with new and swifter steamers of modern construction, accommodation, and capacity.

In the year ending June 30, 1905, there entered the port of Rio de Janeiro steamers and sailing vessels flying the flag of Austria-Hungary 120, of Norway 142, of Italy 165, of Argentina 264, of France 349, of Germany 657, of Great Britain 1,785, of the United States no steamers and 7 sailing vessels, 2 of which were in distress.

An English firm runs a small steamer monthly between New York and Rio de Janeiro; the Panama Railroad Company runs steamers between New York and the Isthmus of Panama; the Brazilians are starting for themselves a line between Rio and New York; there are two or three foreign concerns running slow cargo boats, and there are some foreign tramp steamers. That is the sum total of American communications with South America beyond the Caribbean Sea. Not one American steamship runs to any South American port beyond the Caribbean. During the past summer I entered the ports of Para, Pernambuco, Bahia, Rio de Janeiro, Santos, Montevideo, Buenos Ayres, Bahia Blanca, Punta Arenas, Lota, Valparaiso, Coquimbo, Tocopilla, Callao, and Cartagena—all of the great ports and a large proportion of the secondary ports of the Southern Continent. I saw only one ship, besides the cruiser that carried me, flying the American flag. The mails between South America and Europe are swift, regular, and certain; between South America and the United States they are slow, irregular, and uncertain. Six weeks is not an uncommon time for a letter to take between Buenos Ayres or Valparaiso and New York. The merchant who wishes to order American goods can not know when his order will be received or when it will be filled. The freight charges between the South American cities and American cities are generally and substantially higher than between the same cities and Europe. At many points the deliveries of freight are uncertain and its condition upon arrival doubtful. The passenger accommodations are such as to make a journey to the United States a trial to be endured, and a journey to Europe a pleasure to be enjoyed. The best way to travel between the United States and both the southwest coast and the east coast of South America is to go by way of Europe, crossing the Atlantic twice. It is impossible that trade should prosper or intercourse increase or mutual knowledge grow to any great degree under such circumstances. The communication is worse now than it was twenty-five years ago. So long as it is left in the hands of our foreign competitors in business we can not reasonably look for any improvement. It is only reasonable to expect that European steamship lines shall be so managed as to promote European trade in South America rather than to promote the trade of the United States in South America.

This woeful deficiency in the means to carry on and enlarge our South American trade is but a part of the general decline and feebleness of the American merchant marine, which has reduced us from carrying over 90 per cent of our export trade in our own ships to the carriage of 9 per cent of that trade in our own ships, and dependence upon foreign shipowners for the carriage of 91 per cent. The true remedy and the only remedy is the establishment of American lines of steamships between the United States and the great ports of South America, adequate to render fully as good service as is now afforded by the European lines between those ports and Europe. The substantial underlying fact was well stated in the resolution of this Trans-Mississippi congress three years ago:

"That every ship is a missionary of trade; that steamship lines work for their own countries just as railroad lines work for their terminal points, and that it is as absurd for the United States to depend upon foreign ships to distribute its products as it would be for a department store to depend upon wagons of a competing house to deliver its goods."

How can this defect be remedied? The answer to this question must be found by ascertaining the cause of the decline of our merchant marine. Why is it that Americans have substantially retired from the foreign transport service? We are a nation of maritime traditions and

facility; we are a nation of constructive capacity, competent to build ships; we are eminent, if not preeminent, in the construction of machinery; we have abundant capital seeking investment; we have courage and enterprise shrinking from no competition in any field which we choose to enter. Why, then, have we retired from this field in which we were once conspicuously successful?

I think the answer is twofold:

1. The higher wages and the greater cost of maintenance of American officers and crews make it impossible to compete on equal terms with foreign ships. The scale of living and the scale of pay of American sailors are fixed by the standard of wages and of living in the United States, and those are maintained at a high level by the protective tariff. The moment the American passes beyond the limits of his country and engages in ocean transportation he comes into competition with the lower foreign scale of wages and of living. Mr. Joseph L. Bristow, in his report upon trade conditions affecting the Panama Railroad, dated June 14, 1905, gives in detail the cost of operating an American steamship with a tonnage of approximately 3,500 tons, as compared with the cost of operating a specified German steamship of the same tonnage, and the differences aggregate \$15,315 per annum greater cost for the American steamship than for the German; that is, \$4.37 per ton. He gives also in detail the cost of maintaining another American steamship, with a tonnage of approximately 2,500 tons, as compared with the cost of operating a specified British steamship of the same tonnage, and the differences aggregate \$18,289.68 per annum greater cost for the American steamship than for the British; that is, \$7.31 per ton. It is manifest that if the German steamship were content with a profit of less than \$15,000 per annum and the British with a profit of less than \$18,000 per annum the American ships would have to go out of business.

2. The principal maritime nations of the world, anxious to develop their trade, to promote their shipbuilding industry, to have at hand transports and auxiliary cruisers in case of war, are fostering their steamship lines by the payment of subsidies. England is paying to her steamship lines between six and seven million dollars a year. It is estimated that since 1840 she has paid to them between two hundred and fifty and three hundred millions. The enormous development of her commerce, her preponderant share of the carrying trade of the world, and her shipyards crowded with construction orders from every part of the earth indicate the success of her policy. France is paying about \$8,000,000 a year; Italy and Japan, between three and four millions each. Germany, upon the initiative of Bismarck, is building up her trade with wonderful rapidity by heavy subventions to her steamship lines and by giving special differential rates of carriage over her railroads for merchandise shipped by those lines. Spain, Norway, Austria-Hungary, Canada, all subsidize their own lines. It is estimated that about \$28,000,000 a year are paid by our commercial competitors to their steamship lines.

Against these advantages to his competitor the American shipowner has to contend; and it is manifest that the subsidized ship can afford to carry freight at cost for a long enough period to drive him out of business.

We are living in a world not of natural competition, but of subsidized competition. State aid to steamship lines is as much a part of the commercial system of our day as state employment of consuls to promote business.

It will be observed that both of these disadvantages under which the American shipowner labors are artificial; they are created by governmental action—one by our own Government in raising the standard of wages and living, by the protective tariff; the other by foreign governments in paying subsidies to their ships for the promotion of their own trade. For the American shipowner it is not a contest of intelligence, skill, industry, and thrift against similar qualities in his competitor; it is a contest against his competitors and his competitors' governments and his own Government also.

Plainly these disadvantages created by governmental action can be neutralized only by governmental action, and should be neutralized by such action.

What action ought our Government to take for the accomplishment of this just purpose? Three kinds of action have been advocated:

1. A law providing for free ships—that is, permitting Americans to buy ships in other countries and bring them under the American flag. Plainly this would not at all meet the difficulties which I have described. The only thing it would accomplish would be to overcome the excess in cost of building a ship in an American shipyard over the cost of building it in a foreign shipyard; but since all the materials which enter into an American ship are entirely relieved of duty, the difference in cost of construction is so slight as to be practically a negligible quantity and to afford no substantial obstacle to the revival of American shipping. The expedient of free ships, therefore, would be merely to sacrifice our American shipbuilding industry, which ought to be revived and enlarged with American shipping, and to sacrifice it without receiving any substantial benefit. It is to be observed that Germany, France, and Italy all have attempted to build up their own shipping by adopting the policy of free ships, have failed in the experiment, have abandoned it, and have adopted in its place the policy of subsidy.

2. It has been proposed to establish a discriminating tariff duty in favor of goods imported in American ships—that is to say, to impose higher duties upon goods imported in foreign ships than are imposed on goods imported in American ships. We tried that once many years ago and have abandoned it. In its place we have entered into treaties of commerce and navigation with the principal countries of the world expressly agreeing that no such discrimination shall be made between their vessels and ours. To sweep away all those treaties and enter upon a war of commercial retaliation and reprisal for the sake of accomplishing indirectly what can be done directly should not be seriously considered.

3. There remains the third and obvious method—to neutralizing the artificial disadvantages imposed upon American shipping through the action of our own Government and foreign governments by an equivalent advantage in the form of a subsidy or subvention. In my opinion this is what should be done; it is the sensible and fair thing to do. It is what must be done if we would have a revival of our shipping and the desired development of our foreign trade. We can not repeal the protective tariff; no political party dreams of repealing it; we do not wish to lower the standard of American living or American wages. We should give back to the shipowner what we take away from him for the purpose of maintaining that standard; and unless we do give it back we shall continue to go without ships. How can the expenditure of public money for the improvement of rivers and harbors to promote trade be justified upon any grounds which do not also sustain this proposal? Would anyone reverse the policy that granted aid to the Pacific railroads, the pioneers of our enormous internal commerce,

the agencies that built up the great traffic which has enabled half a dozen other roads to be built in later years without assistance? Such subventions would not be gifts. They would be at once compensation for injuries inflicted upon American shipping by American laws and the consideration for benefits received by the whole American people—not the shippers or the shipbuilders or the sailors alone, but by every manufacturer, every miner, every farmer, every merchant whose prosperity depends upon a market for its products.

The provision for such just compensation should be carefully shaped and directed so that it will go to individual advantage only so far as the individual is enabled by it to earn a reasonable profit by building up the business of the country.

A bill is now pending in Congress which contains such provisions; it has passed the Senate and is now before the House Committee on Merchant Marine and Fisheries; it is known as Senate bill No. 529, Fifty-ninth Congress, first session. It provides specifically that the Postmaster-General may pay to American steamships, of specified rates of speed, carrying mails upon a regular service, compensation not to exceed the following amounts: For a line from an Atlantic port to Brazil, monthly, \$150,000 a year; for a line from an Atlantic port to Uruguay and Argentina, monthly, \$187,500 a year; for a line from a Gulf port to Brazil, monthly, \$137,500 a year; for a line from each of two Gulf ports and from New Orleans to Central America and the Isthmus of Panama, weekly, \$75,000 a year; for a line from a Gulf port to Mexico, weekly, \$50,000 a year; for a line from a Pacific coast port to Mexico, Central America, and the Isthmus of Panama, fortnightly, \$120,000 a year. For these six regular lines a total of \$720,000. The payments provided are no more than enough to give the American ships a fair living chance in the competition.

There are other wise and reasonable provisions in the bill relating to trade with the Orient, to tramp steamers, and to a naval reserve; but I am now concerned with the provisions for trade to the south. The hope of such a trade lies chiefly in the passage of that bill.

Postmaster-General Cortelyou, in his report for 1905, said:

"Congress has authorized the Postmaster-General, by the act of 1891, to contract with the owners of American steamships for ocean mail service and has realized the impracticability of commanding suitable steamships in the interest of the postal service alone by requiring that such steamers shall be of a size, class, and equipment which will promote commerce and become available as auxiliary cruisers of the Navy in case of need. The compensation allowed to such steamers is found to be wholly inadequate to secure the proposals contemplated; hence advertisements from time to time have failed to develop any bids for much-needed service. This is especially true in regard to several of the countries of South America with which we have cordial relations and which, for manifest reasons, should have direct mail connections with us. I refer to Brazil and countries south of it. Complaints of serious delay to mails for these countries have become frequent and emphatic, leading to the suggestion on the part of certain officials of the Government that for the present and until more satisfactory direct communication can be established important mails should be dispatched to South America by way of European ports and on European steamers, which would not only involve the United States in the payment of double transit rates to a foreign country for the dispatch of its mails to countries of our own hemisphere, but might seriously embarrass the Government in the exchange of important official and diplomatic correspondence.

"The fact that the Government claims exclusive control of the transmission of letter mail throughout its own territory would seem to imply that it should secure and maintain the exclusive jurisdiction, when necessary, of its mails on the high seas. The unprecedented expansion of trade and foreign commerce justifies prompt consideration of an adequate foreign mail service."

It is difficult to believe, but it is true, that out of this faulty ocean mail service the Government of the United States is making a large profit. The actual cost to the Government last year of the ocean mail service to foreign countries other than Canada and Mexico was \$2,965,624.21, while the proceeds realized by the Government from postage between the United States and foreign countries other than Canada and Mexico was \$6,008,807.53, leaving the profit to the United States of \$3,043,183.32; that is to say, under existing law the Government of the United States, having assumed the monopoly of carrying the mails for the people of the country, is making a profit of \$3,000,000 per annum by rendering cheap and inefficient service. Every dollar of that three millions is made at the expense of the commerce of the United States. What can be plainer than that the Government ought to expend at least the profits that it gets from the ocean mail service in making the ocean mail service efficient. One quarter of those profits would establish all these lines which I have described between the United States and South and Central America and give us, besides a good mail service, enlarged markets for the producers and merchants of the United States who pay the postage from which the profits come.*

In his last message to Congress President Roosevelt said: "To the spread of our trade in peace and the defense of our flag in war a great and prosperous merchant marine is indispensable. We should have ships of our own and seamen of our own to convey our goods to neutral markets, and in case of need, to reinforce our battle line. It can not but be a source of regret and uneasiness to us that the lines of communication with our sister republics of South America should be chiefly under foreign control. It is not a good thing that American merchants and manufacturers should have to send their goods and letters to South America via Europe if they wish security and dispatch. Even on the Pacific, where our ships have held their own better than on the Atlantic, our merchant flag is now threatened through the liberal aid bestowed by other governments on their own steam lines. I ask your earnest consideration of the report with which the Merchant Marine Commission has followed its long and careful inquiry."

The bill now pending in the House is a bill framed upon the report of that Merchant Marine Commission. The question whether it shall become a law depends upon your Representatives in the House. You have the judgment of the Postmaster-General, you have the judgment of the Senate, you have the judgment of the President; if you agree with these judgments and wish the bill which embodies them to become a law, say so to your Representatives. Say it to them individually and directly, for it is your right to advise them and it will be their pleasure to hear from you what legislation the interests of their constituents demand.

The great body of Congressmen are always sincerely desirous to meet

* There would be some modification of these figures if the cost of getting the mails to and from the exchange offices were charged against the account; but this is not separable from the general domestic cost and would not materially change the result.

the just wishes of their constituents and to do what is for the public interest; but in this great country they are continually assailed by innumerable expressions of private opinion and by innumerable demands for the expenditure of public money; they come to discriminate very clearly between private opinion and public opinion, and between real public opinion and the manufactured appearance of public opinion; they know that when there is a real demand for any kind of legislation it will make itself known to them through a multitude of individual voices. Resolutions of commercial bodies frequently indicate nothing except that the proposer of the resolution has a positive opinion and that no one else has interest enough in the subject to oppose it. Such resolutions by themselves, therefore, have comparatively little effect; they are effective only when the support of individual expressions shows that they really represent a genuine and general opinion.

It is for you and the business men all over the country whom you represent to show to the Representatives in Congress that the producing and commercial interests of the country really desire a practical measure to enlarge the markets and increase the foreign trade of the United States, by enabling American shipping to overcome the disadvantages imposed upon it by foreign governments for the benefits of their trade, and by our Government for the benefit of our home industry.

SUCCESS IN THE NEAR FUTURE.

Mr. GALLINGER. I thank the Senate for listening to me in this closing hour of the session. While I acknowledge defeat to-day, my faith in the good sense and patriotism of the American people leads me to see success in the not distant future. We need American ocean mail lines to South America and other distant markets, and we shall have them. We shall have an American merchant marine and a naval reserve. We shall not go on forever, as we are going now, paying \$200,000,000 every year in freight, mail, and passenger money to the shipowners of foreign nations, our rivals in trade and possible enemies in war.

JAMESTOWN TERCENTENNIAL EXPOSITION.

The VICE-PRESIDENT appointed as the members of the committee to attend the opening of the Jamestown Tercentennial Exposition, on the 26th of April next, Mr. DANIEL, Mr. BURROWS, Mr. MARTIN, Mr. FORAKER, Mr. KEAN, Mr. SCOTT, Mr. WARNER, Mr. BRANDEGEE, Mr. BERRY, and Mr. CARMACK.

THE MERCHANT MARINE.

On motion of Mr. GALLINGER, it was

Ordered, That 1,000 copies of the Development of the Foreign Mail Service, the American Merchant Marine, and American Commerce be printed for use in the Senate document room.

DEVELOPMENT OF RAMIE FIBER.

On motion of Mr. HEYBURN, it was

Ordered, That Senate Report No. 6460, Fifty-ninth Congress, second session, being on the development and encouragement of the ramie-fiber silk, etc., be reprinted as a Senate document, with additional matter, including illustrations.

STATEMENT OF APPROPRIATIONS.

Mr. ALLISON. Mr. President, at this time I ask leave to present tables, carefully prepared by the clerks of the Committees on Appropriations, showing the condition of the appropriation bills at the close of the present session. The tables show all the appropriations made during this session and during the Fifty-ninth Congress and also give comparisons with former Congresses as respects appropriations.

It is worth while, perhaps, for me to say a word or two in connection with the tables.

The total appropriations for the session, available for the fiscal year 1908, are \$919,948,679.63. These include, of course, the annual appropriations and also the permanent appropriations which are not made in the annual bills. Of the permanent appropriations, \$57,000,000 is to meet sinking-fund obligations for 1908, provided for by statute; also \$20,000,000 estimated redemption of national-bank notes in 1908 out of deposits by banks for that purpose. That is a constant fund, replenished from day to day by deposits of the national banks and drawn from as national-bank notes are redeemed. So the \$20,000,000 is not a charge upon the revenues of the Government.

There is also included in the \$919,948,679.63, \$13,439,685.36 of appropriations under deficiency bills, all of which will be expended during the present fiscal year and will not run into the next fiscal year. These items make in all \$90,439,685.36 that should be deducted from the \$919,948,679.63, making a total appropriation of \$829,508,994.27 chargeable to the revenue for the next fiscal year. The estimated revenue from all sources for the next fiscal year is \$850,000,000, and if this revenue is realized there will be a surplus of \$20,000,000 in round numbers at the end of the fiscal year 1908, and not a deficit.

The increase of appropriations for the year 1908 over the year 1907 amounts to \$40,359,494.47. Those increases over the current fiscal year arise chiefly from three or four sources, which I will name. First, the Army appropriations are increased \$6,700,000. This may be accounted for by the increase of the Army at the present session by the provision for coast artillery. The fortification bill for the next fiscal year amounts to \$1,800,000 in excess of the appropriation for fortifications during the current year. The appropriations for legislative,

executive, and judicial expenses for the next fiscal year have been increased \$2,400,000. The increase in the post-office appropriations for next year over the current year amounts to \$20,000,000. The pension appropriation bill is increased \$5,700,000. The river and harbor appropriation exceeds that of the current year by \$37,000,000. That is accounted for by the fact that for the current year we passed no river and harbor bill. It is said, and I have seen it stated, that we appropriate \$90,000,000 for rivers and harbors. As a matter of fact, the appropriation bill for rivers and harbors for the next year amounts to \$37,183,093. If I am not correct in that statement, the chairman of the Committee on Commerce, the Senator from Maine, will correct me.

Mr. FRYE. Mr. President—

The VICE-PRESIDENT. Does the Senator from Iowa yield to the Senator from Maine?

Mr. ALLISON. Certainly.

Mr. FRYE. It may be as well to state right here that, from a very careful computation made, the expenditure of eighty-six or eighty-seven million dollars carried by the river and harbor bill will not exceed \$27,000,000 a year, many of the appropriations running even up to six years.

Mr. ALLISON. In the statement I have included only the appropriations recommended by the Committee on Commerce and embraced in the river and harbor bill, and have excluded the appropriations which are carried for this purpose in the sundry civil bill.

The sundry civil bill carries \$12,000,000 more than the sundry civil act of last year, largely accounted for by various items which are not very large individually.

The permanent appropriations this year are increased \$9,800,000 in round numbers. These increases are caused, first, by the appropriations for meat inspection of \$3,000,000; second, for forest reserves of \$1,200,000; and, third, for the Reclamation Service of \$4,000,000. The reclamation fund, of course, is a separate and distinct fund and this \$4,000,000 will be taken from that fund.

The clerks have made up another table, which I think is

worth inserting in the Record. It shows the appropriations made by this Congress, now about to expire, as compared with previous Congresses. The appropriations for the Fifty-ninth Congress exceed those for the Fifty-eighth Congress by \$198,180,854. It is interesting to note the items that make up this increase—rivers and harbors, \$21,200,000; pensions, 5,600,000; post-office appropriations, \$50,300,000. I emphasize the latter item to show how rapidly our appropriations for the postal service have increased, amounting to \$50,000,000 more for this Congress than for the Fifty-eighth Congress. It may be worth while to note that this increase is not objected to by any Senator, so far as I know, or by the House of Representatives.

The Panama Canal appropriation for the Fifty-ninth Congress also shows an increase of \$69,500,000 over the Fifty-eighth Congress. I know of no one who objects to this appropriation; at least the appropriation for the Panama Canal is supposed to be made by the unanimous judgment of both Houses of Congress, with the approval of the American people. It is also worth while to note as I pass, when we hear so much said about a deficit in the Treasury, that by the act of 1902 the policy was entered upon of constructing the canal by means of loans. The cost of construction was not to be paid out of the current revenues of the Government. Therefore, in any statement that is made, the appropriation should not be charged to the current revenues of the Government.

I will not trouble the Senate further in calling attention to the details of these appropriations. I have only done so for the purpose of showing that while apparently they are very large, they all arise from laws which have been passed by the two Houses of Congress and approved by the President as necessary for the purposes of our Government from year to year.

Mr. President, I ask leave to have these tables printed in the Record, so that Senators may have an opportunity to examine them more in detail.

The VICE-PRESIDENT. Without objection, permission is granted.

The tables referred to are as follows:

Chronological history of appropriation bills, second session of the Fifty-ninth Congress; estimates and appropriations for the fiscal year 1907-8, and appropriations for the fiscal year 1906-7.

[Prepared by the clerks to the Committees on Appropriations of the Senate and House of Representatives.]

Title.	Estimates, 1908.	Reported to the House.	Passed the House.	Reported to the Senate.	Passed the Senate.	Law, 1907-8.	Law, 1906-7.
Agriculture.....	\$7,954,680.00	\$8,125,790.00	\$8,108,010.00	\$8,808,210.00	\$9,457,810.00	\$9,447,290.00	\$9,930,440.00
Army.....	79,301,303.82	73,344,289.65	72,291,876.89	81,698,610.54	81,787,610.54	78,535,282.75	71,817,165.08
Diplomatic and consular.....	3,254,077.72	3,085,477.72	3,085,477.72	3,085,477.72	3,071,277.72	3,092,333.72	3,091,094.17
District of Columbia.....	11,598,272.00	10,112,234.63	10,037,234.63	10,724,532.63	10,766,562.63	10,454,118.63	10,138,672.16
Fortifications.....	15,068,559.00	5,411,883.00	5,411,883.00	7,353,589.00	7,456,589.00	6,898,011.00	5,553,993.00
Indian.....	7,970,168.23	8,161,668.23	8,233,476.33	14,590,909.76	12,876,110.76	9,227,876.15	9,263,599.98
Legislative, etc.....	31,215,525.80	30,529,863.80	30,630,383.80	30,855,833.80	30,847,533.80	32,094,013.80	29,681,919.80
Military Academy.....	2,389,283.42	1,913,983.42	1,913,983.42	1,917,383.42	1,947,383.42	1,929,703.42	1,664,707.67
Navy.....	115,444,950.33	95,404,717.00	95,027,481.50	100,727,807.50	101,108,007.50	98,958,007.50	102,091,670.27
Pension.....	138,243,000.00	138,138,500.00	137,734,000.00	145,987,000.00	145,937,000.00	145,137,000.00	140,245,500.00
Post-office.....	206,662,190.00	209,416,802.00	209,716,802.00	212,174,393.60	212,294,393.60	212,129,393.60	191,695,998.75
Rivers and harbors.....	25,414,231.76	35,181,612.00	35,396,612.00	40,081,908.00	40,123,908.00	437,183,093.00	(e)
Sundry civil.....	101,288,131.60	103,872,540.23	104,531,314.13	114,578,861.30	115,416,161.30	110,736,551.30	98,538,770.32
Total.....	745,804,323.88	722,699,361.68	722,118,535.42	772,614,516.67	773,027,347.67	756,622,674.27	673,210,530.70
Urgent deficiency, 1907 and prior years.....		581,500.00	581,500.00	581,500.00	581,500.00	581,500.00	
Urgent deficiency, additional, 1907 and prior years.....	16,000,000.00	329,650.00	264,650.00	1,329,650.00	1,329,650.00	1,329,650.00	339,129,035.45
Deficiency, 1907 and prior years.....		9,847,396.04	9,918,698.74	10,739,754.36	11,262,375.36	10,528,585.36	
Total.....	761,804,323.88	733,457,907.72	732,883,384.16	785,265,421.03	786,200,873.03	769,062,359.63	712,339,566.15
Miscellaneous.....	31,500,000.00					1,000,000.00	27,173,299.01
Total, regular annual appropriations.....	793,304,323.88					770,062,359.63	739,512,865.16
Permanent annual appropriations.....	149,886,320.00					149,886,320.00	140,076,320.00
Grand total, regular and permanent annual appropriations.....	943,190,643.88					919,948,679.63	879,589,185.16

^a One-half of the amounts for the District of Columbia payable by the United States, except amounts for the water department (estimated for 1908 at \$136,616), which are payable from the revenues of the water department.

^b Includes all expenses of the postal service payable from postal revenues and out of the Treasury.

^c This amount is exclusive of \$7,439,511.10 to meet contracts authorized by law for river and harbor improvements included in the sundry civil estimates for 1908.

^d In addition to this amount, the sum of \$6,392,730 is appropriated in the sundry civil act to carry out contracts authorized by law for river and harbor improvements for 1908.

^e No river and harbor act passed for 1907, but the sum of \$17,254,050.04 was appropriated in the sundry civil act to carry out contracts authorized by law for river and harbor improvements for 1907.

^f This amount includes \$7,439,511.10 to carry out contracts authorized by law for river and harbor improvements and \$25,406,258.73 for construction of the isthmian canal for 1908.

^g This amount includes \$6,392,730 to carry out contracts authorized by law for river and harbor improvements and \$27,161,367.50 for construction of the isthmian canal for 1908.

^h This amount includes \$17,254,050.04 to carry out contracts authorized by law for river and harbor improvements and \$25,456,415.08 for construction of the isthmian canal for 1907.

ⁱ This amount is approximated.

^j This amount includes \$16,990,786 for the isthmian canal, which, added to the appropriation of \$25,456,415.08 in the sundry civil act for this purpose, makes the total appropriations passed at the first session of the Fifty-ninth Congress for the isthmian canal \$42,447,201.08.

^k This is the amount submitted by the Secretary of the Treasury in the annual estimates for the fiscal year 1908, the exact amount appropriated not being ascertainable until two years after the close of the fiscal year. This amount includes estimated amount of \$57,000,000 to meet sinking-fund obligations for 1908 and \$20,000,000 estimated redemptions of national bank notes in 1908 out of deposits by banks for that purpose.

^l In addition to this amount, contracts are authorized to be entered into, subject to future appropriations by Congress, as follows: By the Army act, \$750,000; by the District of Columbia act, \$40,000; by the Military Academy act, \$1,700,000; by the naval act, \$2,750,000; by the sundry civil act, \$905,000; by the deficiency act, \$270,000; by the urgent deficiency act, \$803,700; by the public buildings act, \$13,365,500; in all, \$20,587,200.

Comparison of appropriations, Fifty-seventh, Fifty-eighth, and Fifty-ninth Congresses, covering fiscal years 1903, 1904, 1905, 1906, 1907, and 1908.

Title of act.	Fifty-seventh Congress.		Fifty-eighth Congress.		Fifty-ninth Congress.	
	Fiscal year 1903.	Fiscal year 1904.	Fiscal year 1905.	Fiscal year 1906.	Fiscal year 1907.	Fiscal year 1908.
Agriculture.....	\$5,208,960.00	\$5,978,160.00	\$5,902,040.00	\$6,882,690.00	\$9,930,440.10	\$9,447,250.00
Army.....	91,730,136.41	77,888,752.83	77,070,300.88	70,396,631.64	71,817,165.08	78,585,282.75
Diplomatic and consular.....	1,957,925.69	1,968,250.69	2,020,100.69	2,123,047.72	3,091,094.17	3,092,333.72
District of Columbia.....	8,544,469.97	8,638,097.00	11,018,540.00	9,801,197.62	10,138,672.16	10,451,118.63
Fortifications.....	7,298,955.00	7,188,416.22	7,518,192.00	6,747,893.00	5,053,993.00	6,898,011.00
Indian.....	8,986,028.10	8,540,406.77	9,447,961.40	7,923,814.34	9,260,599.98	9,227,876.15
Legislative, etc.....	25,396,681.50	27,598,653.66	28,558,258.22	29,136,752.06	29,681,919.30	32,094,013.80
Military Academy.....	2,627,324.42	652,748.67	973,947.26	673,713.38	1,664,707.67	1,929,703.42
Navy.....	78,856,363.13	81,876,791.43	97,505,140.94	100,336,679.94	102,091,670.27	98,958,007.50
Pensions.....	139,842,230.00	139,847,600.00	138,360,700.00	138,250,100.00	140,245,500.00	145,987,000.00
Post-office.....	138,416,598.75	153,511,549.75	172,545,998.75	181,022,093.75	191,695,998.75	212,129,393.00
Rivers and harbors.....	26,771,442.00		3,000,000.00	18,181,875.41		37,183,093.00
Sundry civil.....	60,163,359.13	82,372,360.10	57,840,211.34	66,813,450.66	98,538,770.32	110,736,551.30
Total.....	595,800,474.10	596,061,787.12	611,761,391.48	638,289,939.52	673,210,530.70	756,622,674.27
Deficiencies.....	28,050,007.32	21,465,660.25	26,771,890.18	31,683,288.72	39,129,035.45	12,439,685.36
Total.....	623,850,481.42	617,527,447.37	638,533,281.66	669,973,228.24	712,339,566.15	769,062,359.63
Miscellaneous.....	52,856,681.50	2,941,238.65	1,167,273.52	3,375,086.72	27,173,299.01	1,000,000.00
Total regular annual appropriations.....	676,703,276.55	620,468,686.02	639,700,555.18	673,348,314.96	739,512,865.16	770,062,359.63
Permanent annual appropriations.....	123,921,220.00	132,589,820.00	141,471,820.00	146,836,320.00	140,076,320.00	149,886,320.00
Grand total, regular and permanent annual appropriations.....	800,624,496.55	753,058,506.02	781,172,375.18	820,184,634.96	879,589,185.16	919,948,679.63
Total appropriations by Congresses.....	1,553,683,002.57		1,601,357,010.14		1,799,537,864.79	

Comparison of appropriations, Fifty-eighth and Fifty-ninth Congresses.

Title of act.	Fifty-eighth Congress, fiscal years 1905 and 1906.	Fifty-ninth Congress, fiscal years 1907 and 1908.	Increase, Fifty-ninth Congress over Fifty-eighth Congress.	Decrease, Fifty-ninth Congress under Fifty-eighth Congress.
Agriculture.....	\$12,784,730.00	\$19,377,730.10	\$6,593,000.10	
Army.....	147,466,932.52	150,352,447.83	2,885,515.31	
Diplomatic and consular.....	4,143,148.41	6,183,427.89	2,040,279.48	
District of Columbia.....	20,819,737.62	20,592,790.79		\$226,946.83
Fortifications.....	14,266,085.00	11,952,004.00		2,314,081.00
Indian.....	17,371,775.74	18,488,476.13	1,116,700.39	
Legislative, etc.....	57,695,010.28	61,775,933.10	4,080,922.82	
Military Academy.....	1,647,660.64	3,594,411.09	1,946,750.45	
Navy.....	197,841,820.88	201,049,677.77	3,207,856.89	
Pensions.....	276,610,800.00	286,182,500.00	9,571,700.00	
Post-office.....	353,568,092.50	403,825,391.75	50,257,299.25	
Rivers and harbors.....	21,181,875.41	37,183,093.00	16,001,217.59	
Sundry civil.....	124,638,662.00	209,275,321.62	84,636,659.62	
Total.....	1,250,051,331.00	1,429,833,204.97	182,322,901.90	2,541,027.83
Deficiencies.....	58,455,178.90	51,568,720.81		6,886,458.09
Total.....	1,308,506,509.90	1,481,401,925.78	182,322,901.90	9,427,485.92
Miscellaneous.....	4,542,360.24	28,173,299.01	23,630,938.77	
Total regular annual appropriations.....	1,313,048,870.14	1,509,575,224.79	205,953,840.67	9,427,485.92
Permanent annual appropriations.....	288,308,140.00	289,962,640.00	1,654,500.00	
Grand total regular and permanent annual appropriations.....	1,601,357,010.14	1,799,537,864.79	207,608,340.67	9,427,485.92

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by Mr. W. J. BROWNING, its Chief Clerk, announced that the House had agreed to the amendments of the Senate to the bill (H. R. 22182) to authorize W. D. Clay and others to select lands in lieu of lands purchased by the father of said parties from the United States Government and lost by said heirs.

The message also announced that the Speaker of the House had appointed Mr. CHARLES B. LANDIS, Mr. JAMES B. PERKINS, and Mr. JAMES M. GRIGGS members of the Joint Printing Commission authorized by the legislative appropriation act.

The message further announced that the House had passed a resolution appointing a committee of three members to join a similar committee appointed by the Senate to wait upon the President of the United States and inform him that the two Houses had completed the business of the present session, and were ready to adjourn unless the President has some other communication to make to them.

The message also announced that the Speaker of the House had appointed Mr. PAYNE, Mr. WATSON, and Mr. DE ARMOND members of the joint committee on the part of the House.

ENROLLED BILLS SIGNED.

The message further announced that the Speaker of the House had signed the following enrolled bills and joint resolution; and they were thereupon signed by the Vice-President:

S. 1032. An act to aid in the erection of a statue of Commodore John D. Sloat, United States Navy, at Monterey, Cal.;

S. 5133. An act to promote the safety of employees and travel-

ers upon railroads by limiting the hours of service of employees thereon;

S. 8614. An act to amend an act entitled "An act to regulate the practice of medicine and surgery in the District of Columbia," approved June 3, 1896;

H. R. 8727. An act for the relief of James W. Kenney and the Union Brewing Company;

H. R. 22182. An act to authorize W. D. Clay and others to select lands in lieu of lands purchased by the father of said parties from the United States Government and lost by said heirs; and

H. J. Res. 211. Joint resolution authorizing the transfer of the files, books, and pamphlets of the Industrial Commission.

PRESIDENTIAL APPROVALS.

A message from the President of the United States, by Mr. M. C. LATTA, one of his secretaries, announced that the President had approved and signed the following acts:

On March 2:

S. R. 92. Joint resolution to authorize the Secretary of War to permit José March Duplat to receive instruction at the Military Academy at West Point;

S. 5660. An act for the relief of Capt. William N. Hughes;

S. 6729. An act authorizing the President to appoint Webb C. Maglathlin a second assistant engineer in the Revenue-Cutter Service;

S. 7550. An act for the relief of Harry A. Young;

S. 7840. An act granting an increase of pension to Lewis A. Towne;

S. 8303. An act to establish the Foundation for the Promotion of Industrial Peace;

S. 5869. An act for the relief of Larvan Gordon;

S. 6134. An act providing for the conveyance to the State of North Dakota of certain tracts of lands for the use and benefit of the North Dakota State Historical Society;

S. 8580. An act granting land to Anna Johnson; and

S. 8622. An act granting an increase of pension to William N. Brunson.

On March 4:

S. 7812. An act to amend section 591 of the Revised Statutes of the United States, relative to the assignment of district judges to perform the duties of a disabled district judge;

S. 8427. An act to annul certain titles to land acquired by judicial proceedings in the courts of the United States in Texas, and for other purposes;

S. 8189. An act granting to the St. Louis, Iron Mountain and Southern Railway Company, a corporation, the right to construct, maintain, and operate a single-track railway across the lands of the United States in the southeast quarter of the northeast quarter of section 21, township 14 north, range 6 west of the fifth principal meridian, in the county of Independence and State of Arkansas, reserved for use in connection with the construction of Lock No. 1, Upper White River, Arkansas;

S. 8526. An act permitting the erection of a dam across Coosa River, Alabama, at the place selected for Lock No. 12 on said river;

S. 6249. An act to provide for the establishment of an agricultural bank in the Philippine Islands; and

S. 8498. An act to amend sections 16, 17, and 20 of an act entitled "An act to enable the people of Oklahoma and of the Indian Territory to form a constitution and State government and be admitted into the Union on an equal footing with the original States; and to enable the people of New Mexico and of Arizona to form a constitution and State government and be admitted into the Union on an equal footing with the original States," approved June 16, 1906, and for other purposes.

On March 4:

S. 360. An act to relinquish the interest of the United States in and to certain land in the city of Pensacola, Fla., to the Right Rev. Edwin P. Allen, Catholic bishop of the diocese of Mobile, Ala., and his successors, in trust for the Catholic congregation of Pensacola, Fla.;

S. 1032. An act to aid in the completion of a monument at Monterey, Cal., to commemorate the taking possession of the Pacific coast by Commodore John D. Sloat, United States Navy; S. 5133. An act to promote the safety of employees and travelers upon railroads by limiting the hours of service of employees thereon;

S. 6447. An act to authorize the appointment of Acting Asst. Surg. George R. Plummer, United States Navy, as an assistant surgeon in the United States Navy;

S. 6704. An act to amend an act entitled "An act for the relief of certain homestead settlers in the State of Alabama," approved February 24, 1905;

S. 7247. An act to provide for the establishment of an immigration station at New Orleans, in the State of Louisiana, and the erection in said city, on a site to be selected for said station, of a public building;

S. 8012. An act to erect a monument on the Tippecanoe battle ground in Tippecanoe County, Ind.;

S. 8119. An act to readjust the boundaries of the naval reservations in Porto Rico established in pursuance of the act of July 1, 1902;

S. 8230. An act for the relief of Harold D. Childs;

S. 8292. An act providing for the completion by the Secretary of War of a monument to the memory of the American soldiers who fell in the battle of New Orleans at Chalmette, La., and making the necessary appropriation therefor;

S. 8299. An act to confer certain civic rights on the Metlakatla Indians of Alaska;

S. 8327. An act to provide for the establishment of an immigration station at Galveston, in the State of Texas, and the erection in said city, on a site to be selected for said station, of a public building;

S. 8568. An act granting an increase of pension to Rosanna A. May;

S. 8585. An act for the relief of Charles W. Spalding;

S. 8614. An act to amend the act entitled "An act to regulate the practice of medicine and surgery in the District of Columbia," approved June 3, 1896;

S. R. 29. Joint resolution authorizing the selection of a site and the erection of a pedestal for the Stephenson Grand Army memorial in Washington, D. C.; and

S. R. 98. Joint resolution granting permission to Rear-Admiral

B. H. McCalla to accept a medal from the King of Great Britain and the Order of the Red Eagle from the Emperor of Germany.

ESTATE OF SAMUEL LEE, DECEASED.

Mr. McCUMBER. I ask unanimous consent for the present consideration of the bill (H. R. 850) making appropriation to pay to the legal representatives of the estate of Samuel Lee, deceased, to wit, Samuel Lee, Anna Lee Andrews, Clarence Lee, Robert Lee, Harry A. Lee, and Phillip Lee, heirs at law, in full for any claim for pay and allowances made by reason of the election of said Lee to the Forty-seventh Congress and his services therein.

Mr. LATIMER. I ask that the bill be read.

The VICE-PRESIDENT. The Senator from North Dakota asks unanimous consent for the present consideration of a bill, which will be read for the information of the Senate.

The Secretary read the bill.

The VICE-PRESIDENT. Is there objection to the present consideration of the bill?

Mr. LATIMER. I object.

The VICE-PRESIDENT. Objection is made.

Mr. McCUMBER. I move that the Senate proceed to the consideration of the bill; and I wish to say one word in reference to it.

Twenty-five years ago, in a closely contested election, Samuel Lee was elected from one of the South Carolina districts—at least the House of Representatives so decided after a long contest. After it was determined that he was entitled to his seat a little filibuster was kept up for the remainder of the session, so that it was impossible to swear him in. Twenty-five years have elapsed since that time. Mr. Lee died a poor man in the struggle to get the salary that was due him during that time. The Senator from South Carolina [Mr. TILMAN] has heretofore objected to the consideration of the bill.

After this number of years, when we have done so much during the present session in the changing of words which are to describe a great war and in many other ways to eliminate entirely from our memory all of the old bitterness which gathered around us during those days of struggle between the two sections of the country, I think it would be an act of justice to pass this bill.

This election occurred while that strife was still very warm indeed, but all feeling has now passed away. The House of Representatives declared that Mr. Lee was entitled to his seat. The House of Representatives twenty-five years thereafter has declared by its vote that the little sum of \$10,000 for his salary during the two years, to which he would have been entitled had he been seated, according to the decision of the House, shall at last be paid.

I appeal to the Senator from South Carolina to allow us to crown the last hours of this session by this act of justice long delayed to the heirs of Samuel Lee. It is but a small amount. It is justly due according to all precedents of both Houses, and there can be no just reason for longer delaying it. The Representative himself has been dead for many years. He kept up the struggle, being supported by others, until he died, practically a pauper. His children have kept up the struggle to get what they consider justly and honestly their due. We have granted pensions very freely to the old soldier during this session. We have been liberal in a thousand different ways. Now let us combine our liberality with our sense of justice, and at last, after a quarter of a century, pay to the heirs of Mr. Lee the sum that rightfully belonged under every precedent to their ancestor.

Mr. LATIMER. Is the Senator from North Dakota through?

The VICE-PRESIDENT. Does the Senator from North Dakota yield to the Senator from South Carolina?

Mr. McCUMBER. I yield to the Senator from South Carolina.

Mr. LATIMER. I wish to take the floor in my own right.

Mr. McCUMBER. Let me ask the Senator if he still intends to object to the consideration of the bill?

Mr. LATIMER. I do.

Mr. McCUMBER. I yield to the Senator then, and I should like to reply to him.

Mr. LATIMER. Mr. President, the Senator from North Dakota, in his plea for justice to this contestant, and in the remarks that he has made with regard to the feeling which should exist in the South on account of the treatment of the South by the present Congress, appeals to me with force. But this is a case where, in my opinion, the contestant had no right to the seat. The certificate of election was given to Mr. Richardson, of South Carolina, and he came here and served out the two years as a Member of the House. These contested-election cases in the South have continued since the war until within

the last two or three years largely for the purpose of getting the fee that is given in contested-election cases.

I should like to read to the Senate the speech of the elected Member, Mr. Richardson, delivered on the occasion when the contest was up. Mr. Richardson, of South Carolina, said:

Mr. Speaker, the time for which I was elected to this Congress is about expiring. It is true it would matter but little to me personally whether I continue to hold this seat for a few hours longer or whether you take it from me. It is true it would matter but little to the constituency I represent if you deprive them of their Representative upon this floor for the few remaining hours of this Congress.

Perhaps it might be thought that I could well afford to remain quiet and let this case be decided as you may see proper to decide it. But behind all these considerations there is this question: Is it right to do so? And then there is another question: Is it right to take from this Government \$10,000 or \$12,000 and pay it to one who is not at all entitled to it?

I therefore come before you almost an utterly impartial advocate in this case. I have no interest except to see that the right is done and that my constituency are not placed in any false light.

Now, Mr. Speaker and gentlemen of the House, this election was had: the election officers ascertained who was elected, and they gave to the contestee the certificate. The contestant filed his complaint, claiming that a number of things had been done which ought not to have been done, by which he had been deprived of a number of votes. What did the contestee do? When the contestant claimed that certain votes and polls which had not been counted should be counted, the contestee's answer was "Count the whole poll in the district; count the last voter who voted, and let the result decide this election." Then the contestant comes up and presents his case. He goes through every box after every poll in the Congressional district had been restored to the count, restored by the consent of the contestee. He goes into the count, and says "These boxes have not been purged as they ought to be," though they were purged according to the law of South Carolina. In purging them, when the contestant comes to add up the result, lo and behold! by his own purging, by his own count, the contestee still has a majority. He who in the outset came to the Elections Committee and said, "Oh, it is wrong to throw out the vote of any freeman, or to throw out any poll," turns from his position and claims that now, in order to give him the seat, you must throw out the vote of Darlington precinct; you must not count it.

I will stop but a moment to call the attention of the House to the methods resorted to by the contestant and by the honorable gentleman who presented the report in his behalf to reach the result that they did. Take, for example, the poll at Timminsville; and this is but one of many. There the vote was some 800 or 900. The election officers in returning the vote returned that there was in that box an excess of only 11 votes. Both the United States supervisors of election signed a report saying that there were only 11 votes in excess in all that box. When that box was purged under the law of South Carolina, which requires that some one blindfolded shall draw from the box the number of votes in excess, only 4 Republican votes were drawn and 7 Democratic votes. The Republican and Democratic United States supervisors certified to this. But there was standing by that box a friend of the contestant, a bystander, who swore on his examination that he was certain there went into that box for the contestant 199 votes, when the count gave him only 75 votes.

I only bring up that case for the purpose of showing that from the count of that box the contestant and the honorable gentleman who makes the minority report deduct 124 votes of the contestee and give that number to the contestant, making a difference of 248 votes. That is the way the result is reached in this case—reducing the vote of the contestee enough to give the seat to the contestant if you throw out the vote of Darlington precinct. I will not waste time in showing the other methods resorted to in order to bring down the vote of the contestant to a point from which, if you deduct the vote of Darlington Court House, the seat will be given to the contestant. I address myself at once to the single question involved in this case. After purging the poll, as has been done, after resorting to such means as I have mentioned to bring down the vote of the contestee, the question then turns, as I am willing to concede, upon the vote at Darlington Court House. What was the vote there? As has been said, it gave the contestee some 1,100 majority. The contestant asked to have it thrown out, not on account of fraud, for no fraud was charged against it.

One word as to the charge in regard to tissue ballots. They were used only in Georgetown County, and the authorities of South Carolina threw out every box in that county but one because there were tissue ballots.

Now, as to the Darlington poll, what is the proof? The proof is that there was not a single gun fired or exhibited. There was no violence threatened. The colored people who met there in the morning, having been accustomed at election after election to have possession of the polls, were incensed because on this occasion the election was held where the law of South Carolina required in so many words that it should be held—in the court-house, instead of at the market-place, where it had been held before. Under these circumstances the order was given to the negroes by their leader that they should go away, and they did go away; they did not vote, or at least only 117 of them voted. There is no proof that they did not vote elsewhere, or at least that most of them did not vote elsewhere. The contestant presents the names of 240 persons who he claimed did not vote there.

Mr. CLAPP. Mr. President—

The VICE-PRESIDENT. Does the Senator from South Carolina yield to the Senator from Minnesota?

Mr. LATIMER. With pleasure.

Mr. CLAPP. Will the Senator yield that I may make a request for the publication of a document?

Mr. LATIMER. I will.

Mr. LODGE. I desire to ask what question is now before the Senate.

The VICE-PRESIDENT. The question is on the motion of the Senator from North Dakota [Mr. McCUMBER] to take up House bill 850.

Mr. LODGE. I make the point of order that a motion to take up a bill is not debatable.

The VICE-PRESIDENT. It is not, except by unanimous consent. Is there objection?

Mr. McLAURIN. I wish to say to the Senator from Massachusetts that the Senator from North Dakota, who made the motion, debated it, and I think it would be but fair to have permission given to the objector.

The VICE-PRESIDENT. The debate is proceeding by unanimous consent.

Mr. McCUMBER. Mr. President—

The VICE-PRESIDENT. Does the Senator from South Carolina yield to the Senator from North Dakota?

Mr. LATIMER. Yes, sir.

Mr. McCUMBER. I simply would like to ask the Senator in all candor whether it is his intention to proceed to talk on the bill, if necessary, until 12 o'clock?

Mr. LATIMER. I think, Mr. President, that this is a measure of sufficient importance to ask that it be postponed until after 12 o'clock.

Mr. McCUMBER. If that is the intention of the Senator, I certainly will not impose the burden upon him of having to do it.

Mr. LATIMER. That is very kind of the Senator.

Mr. McCUMBER. That being the case, I will withdraw the motion.

The VICE-PRESIDENT. The Senator from North Dakota withdraws the motion to proceed to the consideration of the bill.

ELECTION OF SENATORS.

Mr. CLAPP. I present a paper which is an abstract of the laws relating to the election of United States Senators, and I move that it be printed as a document.

The motion was agreed to.

AFFAIRS IN INDIAN TERRITORY.

On motion of Mr. CLARK of Wyoming, it was

Ordered, That 300 additional copies of Senate Report No. 5013, parts 1 and 2, Fifty-ninth Congress, second session, being the report of the select committee to investigate matters connected with affairs in the Indian Territory, be printed for the use of the select committee.

NOTIFICATION TO THE PRESIDENT.

Mr. HALE submitted the following resolution; which was considered by unanimous consent, and agreed to:

Resolved, That a committee of two Senators be appointed by the Vice-President to join a similar committee appointed by the House of Representatives to wait upon the President of the United States and inform him that the two Houses, having completed the business of the present session, are ready to adjourn, unless the President has some other communication to make to them.

The VICE-PRESIDENT appointed Mr. HALE and Mr. PETTUS members of the committee on the part of the Senate.

PROTECTION OF GAME IN ALASKA.

Mr. BEVERIDGE. I ask unanimous consent for the present consideration of the bill (H. R. 25032) to amend an act entitled "An act for the protection of game in Alaska, and for other purposes," approved June 7, 1902.

Mr. CULBERSON. Let it be read.

The VICE-PRESIDENT. The bill will be read.

Mr. BEVERIDGE. I think the bill has been read once.

The VICE-PRESIDENT. The Senator from Texas requests the reading of the bill.

Mr. BEVERIDGE. Very well.

Mr. CULBERSON. I will ask the Senator from Indiana from what committee the bill comes?

Mr. BEVERIDGE. From the Committee on Territories.

The VICE-PRESIDENT. The bill has been reported from the Committee on Territories.

Mr. CULBERSON. Is it a unanimous report?

Mr. BEVERIDGE. It is a unanimous report, and the bill has been on the Calendar for some days. It is a House bill, I will say to the Senator, and that Senators living in the direction of Alaska whose States are directly interested, as well as the Delegate from Alaska and all the people who have said anything to our committee from that district, urge the very great and immediate necessity of this law for the protection of game there.

Mr. CARMACK. It has passed the House?

Mr. BEVERIDGE. Oh, yes; it has passed the House.

Mr. CULBERSON. Let it be read, Mr. President.

The VICE-PRESIDENT. The Secretary will read the bill.

The Secretary proceeded to read the bill.

Mr. CARTER. Mr. President, I suggest to the Senator from Indiana that it will be quite impossible to have this bill enrolled and presented to the presiding officers of the respective Houses and to the President before the hour of adjournment.

Mr. BEVERIDGE. That is very clear.

Mr. CARTER. While I do not wish to object to the bill, I suggest that it is quite useless to continue the reading. It is

obvious that the bill can not become a law at the present session.

Mr. BEVERIDGE. That is quite true; and when I asked for the immediate consideration of the bill the fact that it had already been read once I thought would obviate the necessity of reading it again. Under those circumstances, of course, the bill could have been passed. Since the Senator from Texas has asked for the reading of the bill, it is clear to everyone that it is quite useless to proceed further.

Mr. NEWLANDS. I should like to inquire whether if the reading were discontinued and the bill should be now passed there would be time to have it enrolled and presented to the President?

Mr. BEVERIDGE. No; that is the very point.

Mr. NEWLANDS. I know the sentiment of the committee was unanimous in favor of the bill, and it was carefully examined with a view to prevent the evil possib. of dilettante sportsmanship in Alaska.

Mr. BEVERIDGE. We now have ten minutes until the time when the present session expires. It is manifestly impossible to enroll the bill and send it to the presiding officers and the President in ten minutes. We might have passed the bill if the additional reading had not been demanded.

Mr. CLAPP. If the Senator will yield, I will state that it would be impossible to pass the bill, for there must be two amendments made to it. It makes no provision for the protection of woodchucks nor for protecting men against the penalty of the law where they kill ducks and prairie chickens in self-defense. [Laughter.]

Mr. BEVERIDGE. I will say to the Senator and to the Senate that that omission was made by the Committee on Territories, but it was an oversight, and it would not have occurred had we had the assistance of the junior Senator from Minnesota.

I withdraw the bill.

The VICE-PRESIDENT. The bill is withdrawn.

BUSINESS OF THE COMMITTEE ON THE DISTRICT OF COLUMBIA.

Mr. GALLINGER. Mr. President, I desire to put in the Record a statement of the number of bills referred to the Committee on the District of Columbia during the Fifty-ninth Congress and the action taken on those bills. It is important for the reason that the committee is legislating for this great District, and while the committee has been somewhat criticised I think if the citizens of the District will take the trouble to read this statement they will find that they have been faithfully served. As an illustration, there were 245 Senate bills referred to the committee, 3 Senate resolutions, and 84 House bills, making a total of 332 all told. I ask that the statement may be printed in the Record.

The VICE-PRESIDENT. Without objection, it is so ordered. The statement referred to is as follows:

Statement showing the number of bills referred to the Committee on the District of Columbia during the Fifty-ninth Congress, and the action taken thereon:

Senate bills referred	245
Senate resolutions referred	3
House bills referred	84
Total	332
Senate bills favorably reported	81
House bills favorably reported	66
Senate bills adversely reported	53
Senate bills which have passed the Senate and are pending in the House	21
Senate and House bills approved by the President	99
Bills awaiting approval	7

In addition, there have been received and considered by the committee thirty amendments to appropriation bills.

Following are some of the important laws which have been placed on the statute books:

- Condemnation of insanitary buildings.
- General law governing proceedings relating to condemnation of land for streets.
- Providing for compulsory education.
- Regulating employment agents and agencies.
- Classifying officers and members of the fire department.
- Classifying officers and members of the police department.
- Reorganizing the public school system.
- Creating a juvenile court.
- Regulating the abatement of nuisances.
- Regulating the practice of veterinary medicine.
- Regulating practice of pharmacy and sale of poisons.
- Regulating building lines.

NOTIFICATION TO THE PRESIDENT.

Mr. HALE and Mr. PETTUS, the committee appointed to wait on the President, appeared; and

Mr. HALE said: Mr. President, the committee of the Senate, with a like committee of the House, have waited upon the President, have informed him that the business of Congress is at an end, and have asked him if he has any further communications to make, to which he replied that he has no communication to make.

THANKS TO THE VICE-PRESIDENT.

Mr. BLACKBURN. Mr. President, coming to the discharge of my last official act as a Senator, speaking for the minority side of this Chamber, it affords me peculiar pleasure to submit and send to the desk a resolution which expresses fully the experience I have had, and which I am quite sure expresses the sentiment of every Senator, bearing testimony to the courtesy, the fairness, and the ability with which our presiding officer has discharged the functions of his office. In asking for the unanimous approval of the resolution by the Senate, I am sure that I am not taxing the generosity of any Senator.

The PRESIDING OFFICER (Mr. ALLISON in the chair). The Secretary will read the resolution submitted by the Senator from Kentucky.

The resolution was read and unanimously agreed to, as follows:

Resolved, That the thanks of the Senate are hereby tendered to Hon. CHARLES W. FAIRBANKS, Vice-President of the United States and President of the Senate, for the dignified, impartial, and courteous manner in which he has presided over its deliberations during the present session.

FINAL ADJOURNMENT.

The Vice-President having resumed the chair, and the hour of 12 o'clock meridian having arrived,

The VICE-PRESIDENT said:

SENATORS: The Chair is sensible of the fact that the resolution you have adopted is a courtesy to the Chair, sanctioned by immemorial usage rather than to the occupant of that exalted station.

If the Chair has been able to convince the Senate of his impartiality in the discharge of the duties which devolve upon him, and which are often delicate and difficult, he is gratified in full measure. He fully appreciates that whatever success may have attended him in the performance of his duties during the session which is now closing has been largely due to the patience and generous cooperation of the members of the Senate, all of which he gratefully acknowledges.

The Chair desires to place upon the permanent records of the Senate his testimony in behalf of those Senators whose service in the Senate is about to terminate for their unwavering devotion to the public interest while here, and to wish them many years of further usefulness to their countrymen.

The Chair wishes for those who remain in the Senate and now enter upon their vacation after their arduous public duty health and a safe return. They have well earned the approving judgment of their large constituencies by their intelligent and complete consecration to the public service.

The Senate of the United States has well vindicated its claim to the popular approval by its wise, careful, and patriotic consideration of many questions of large concern to the Government and the people. Each passing session justifies the wisdom of the fathers, who established the Senate as one of the essential safeguards to American institutions and one of the assurances of the political welfare of the people.

Permit the Chair to thank you, Senators, each and all, for your uniform kindness and to bid you godspeed.

The hour of 12 o'clock, which by law terminates the second session of the Fifty-ninth Congress, having arrived, the Chair declares the Senate adjourned without day. [Applause on the floor and in the galleries.]

NOMINATIONS.

Executive nominations received by the Senate March 2, 1907.

POSTMASTERS.

HAWAII.

George F. Renton to be postmaster at Ewa, in the county of Oahu and Territory of Hawaii. Office became Presidential January 1, 1907.

MARYLAND.

Mary J. Perkins to be postmaster at Hancock, in the county of Washington and State of Maryland, in place of Mary J. Perkins. Incumbent's commission expired January 22, 1907.

OHIO.

Mary M. Carey to be postmaster at Lexington, in the county of Richland and State of Ohio. Office became Presidential January 1, 1907.

PENNSYLVANIA.

Thomas E. Pyatt to be postmaster at Youngwood, in the county of Westmoreland and State of Pennsylvania. Office became Presidential January 1, 1907.

WEST VIRGINIA.

James B. Campbell to be postmaster at New Cumberland, in the county of Hancock and State of West Virginia, in place of James B. Campbell. Incumbent's commission expired February 26, 1907.

HOUSE OF REPRESENTATIVES.

MONDAY, March 4, 1907.

[Continuation of legislative day of Saturday, March 2, 1907.]

The recess having expired, the House was called to order by the Speaker at 9.30 a. m.

PEONAGE IN FLORIDA.

Mr. JENKINS. Mr. Speaker, I ask that the Committee on the Judiciary be discharged from the further consideration of House resolution 886.

Mr. RANDELL of Texas. Mr. Speaker, a parliamentary inquiry. Is it not time to dispose of the appeal pending at the time the recess was taken?

The SPEAKER. The Chair will suggest to the gentleman that on yesterday the gentleman from Wisconsin [Mr. JENKINS] was on the floor and was taken off his feet by a conference report. As the Chair recollects, there was an understanding that the gentleman should have the floor temporarily, and the gentleman from New York [Mr. FITZGERALD] should have fifteen minutes. The gentleman from New York concluded to print. The gentleman from Florida was also to have ten minutes. The Chair would be glad to see that understanding carried out; and the gentleman from Wisconsin desires to yield to the gentleman from Florida ten minutes. There is not yet a quorum. In these closing hours the Chair suggests that the gentleman temporarily wait. This matter may develop a quorum, and the gentleman will be recognized a little later, if that is agreeable.

Mr. RANDELL of Texas. Very well, sir.

Mr. JENKINS. Mr. Speaker, I have asked that the Committee on the Judiciary be discharged from the further consideration of resolution 886, and I ask, Mr. Speaker, that a letter from the Attorney-General with reference to this resolution be read in my time.

Mr. MANN. May we have the resolution reported?

The resolution was reported, as follows:

House resolution No. 886.

Resolved, That the Attorney-General of the United States be, and he is hereby, directed to furnish the House of Representatives, at the earliest practicable day, with the following information, namely:

First. How much money has been expended during the present Administration by the Department of Justice in and about the ferreting out and prosecution of alleged peonage cases in the State of Florida?

Second. What connection with the Department of Justice has one Mrs. Quackenbush, who has been prominently connected with the prosecution of these alleged peonage cases in the State of Florida; what official position under the Government does she hold, if any; what salary does she receive, if any; what are her duties; and what instructions, if any, were given her by the Department of Justice?

Third. Why were special attorneys employed to aid in the prosecution of these alleged peonage cases in the State of Florida; why was it necessary to send an Assistant Attorney-General to the State of Florida to assist in the prosecution of these alleged peonage cases; are not the regularly appointed and duly qualified United States attorneys for the two judicial districts of Florida and their assistants amply able to care for the interests of the Government in that State?

Mr. PAYNE. Mr. Speaker, how does this matter come up?

The SPEAKER. The gentleman from Wisconsin calls it up.

Mr. PAYNE. Is that a question of privilege?

The SPEAKER. It was called up yesterday. The Chair calls the attention of the gentleman from New York, as he has called the attention of the gentleman from Texas, to the fact that upon yesterday, as the Chair recollects, there was an understanding that the gentleman from Wisconsin would yield fifteen minutes to the gentleman from New York [Mr. FITZGERALD]. The gentleman from New York occupied a portion of his time, and stated to the Chair that he does not care to occupy further time. And also the understanding, stated in the House, as the Chair recollects, was that the gentleman from Florida [Mr. CLARK] should have ten minutes; and the Chair is trying to carry out that understanding.

Mr. PAYNE. Of course if that understanding was had yesterday it was had when I was not present.

Mr. MANN. Unanimous consent was given.

Mr. PAYNE. That being the case, a point of order would not lie against it; otherwise it would.

The letter was read, as follows:

DEPARTMENT OF JUSTICE.
OFFICE OF THE ATTORNEY-GENERAL,
Washington, D. C., February 27, 1907.

MY DEAR MR. JENKINS: Your letter of the 26th instant, inclosing a copy of the resolution submitted by Mr. CLARK of Florida, in relation to the recent and pending prosecutions for peonage in that State, has been duly received. Without of course wishing in any wise to anticipate the action which your committee may take on this resolution, I am very happy to furnish you the following information as to its subject-matter:

It would be impossible to give even an approximately correct answer to the first question without devoting more time to the subject than its importance warrants. The expenses connected with prosecutions for peonage in the State of Florida could not be segregated from the general expenses incurred in the prosecution of all forms of offenses in that State, the same officers being in large part employed in all prosecutions for crime. Moreover, those officers particularly charged with the investigation of offenses against the laws forbidding peonage have been employed in other States besides Florida; and it would be difficult, if not impracticable, to determine in what proportion their compensation should be charged to work of this character in that particular State. Nevertheless, I think it is right to say that the Department has incurred some appreciable expense in connection with prosecutions for peonage in the State mentioned, and that it contemplates further expenditure of public money for the same purpose. The crime in question amounts substantially to selling into or retaining in involuntary servitude persons who fall to pay alleged debts, which pretended debts are often fictitious, extortionate, or fraudulent. Such action not only involves a flagrant violation of the statute law and of constitutional rights, but is repugnant to the enlightened opinion of modern times in all civilized countries. Moreover, the testimony taken in recent cases, and other credible information furnished the Department, show that the treatment of these captives is often brutal and revolting to every instinct of humanity. In view of these facts, the Department has felt confident that it would receive a cordial support from the Congress and from public opinion in doing all that might lie in its power to prevent crimes of this nature and to bring those guilty of them to adequate punishment.

The lady mentioned in the second question embodied in Mr. CLARK's resolution is Mrs. Mary Grace Quackenbush, who is employed as a special assistant to the United States attorney for the southern district of New York. She is a member of the bar of that State and, according to the information of the Department, a person of independent means. From philanthropic motives she has established an office intended to furnish legal advice to persons too poor to pay adequately for the same in the city of New York, which has grown to large proportions. She thus gained information as to the operations of certain employment agencies in the city of New York which were used to secure helpless and ignorant immigrants as peons in certain Southern States. Criminal proceedings having been begun against one or more of these offenders, Mrs. Quackenbush was employed as special assistant to the United States attorney in that city to aid in their prosecution, the understanding of the Department being that her compensation amounts only to what she is obliged to pay a competent person for taking her place in the office she has established as above described, her own services being rendered gratuitously. In connection with her duties as such assistant she visited Florida, primarily to secure evidence for use in the New York prosecutions, but while there, in accordance with the practice of the Department requiring its subordinates to assist when occasion offers in any of its work, she rendered such services as she could appropriately to Assistant Attorney-General Russell, then engaged in the prosecution of certain cases at Jacksonville. She has since returned to New York.

In answer to the third question, I think it must be left to the discretion of the Department under what circumstances special counsel shall be employed to assist in the prosecution of crimes and what duties, consistent with law, shall be required of the several Assistant Attorneys-General. As a matter of fact, Assistant Attorney-General Russell was designated by the late Attorney-General to exercise a general supervision over prosecutions for peonage, and in the discharge of the duties thus imposed upon him he visited several other States besides Florida. It so happened that during part of his stay in Florida the United States attorney for the southern district of that State, Mr. John M. Cheney, was seriously ill, and Assistant Attorney-General Russell for this reason took part personally in the trials of certain alleged offenders against the peonage laws. It also so happens that the Assistant United States attorney for the same district, Mr. Richard P. Marks, is disqualified to take charge of certain prosecutions instituted against officials of a railroad company in Florida, because he has been for some years counsel for the said railroad company, and this fact made it necessary for Mr. Russell to devote personal attention to these particular cases. The Department considers the United States attorneys and their assistants in the two judicial districts of Florida fully qualified to discharge the duties of their respective offices, and the part taken by other counsel in the prosecutions above mentioned involves no more reflection upon these officers than does the similar service of special counsel in New York, Chicago, St. Louis, and numerous other localities with respect to the permanent representatives of the Government in those places.

Pray believe me, as ever,

Yours, very respectfully and truly,

CHARLES J. BONAPARTE,
Attorney-General.

HON. JOHN J. JENKINS,
Chairman Committee on the Judiciary,
House of Representatives.

Mr. JENKINS. I yield ten minutes to the gentleman from Florida.

Mr. CLARK of Florida. Mr. Speaker, as I will only have ten minutes, I desire to ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none.

Mr. CLARK of Florida. Mr. Speaker, to deal with a "muck-raker" is always unpleasant. It is at no time agreeable to engage